

2328, *supra*; which was ordered to lie on the table.

SA 4926. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2328, *supra*; which was ordered to lie on the table.

SA 4927. Mr. RUBIO (for himself and Mr. CARDIN) proposed an amendment to the bill H.R. 3766, to direct the President to establish guidelines for covered United States foreign assistance programs, and for other purposes.

SA 4928. Mr. RUBIO (for himself and Mr. CARDIN) proposed an amendment to the bill H.R. 3766, *supra*.

#### TEXT OF AMENDMENTS

**SA 4870.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 404.

**SA 4871.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike sections 403 and 404.

**SA 4872.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 403.

**SA 4873.** Mrs. MURRAY (for herself and Mr. BROWN) submitted an amendment intended to be proposed by her to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 403.

**SA 4874.** Mr. BROWN (for himself and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 404.

**SA 4875.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 157, after line 19, add the following:

#### TITLE VIII—IMPROVING THE TREATMENT OF THE U.S. TERRITORIES UNDER FEDERAL HEALTH PROGRAMS

##### SEC. 800. EFFECTIVE DATE.

Section 2 of this Act shall apply to this title and the amendments made by this title unless otherwise specified in this title.

#### Subtitle A—Medicaid

##### SEC. 801. ELIMINATION OF GENERAL MEDICAID FUNDING LIMITATIONS ("CAP") FOR TERRITORIES.

(a) IN GENERAL.—Section 1108 of the Social Security Act (42 U.S.C. 1308) is amended—

(1) in subsection (f), in the matter before paragraph (1), by striking "subsection (g)" and inserting "subsections (g) and (h)";

(2) in subsection (g)(2), in the matter before subparagraph (A)—

(A) by striking "subject to and" and inserting "subject to"; and

(B) by striking "paragraphs (3) and (5)" and inserting "and paragraphs (3) and (5) of this subsection and subsection (h)"; and

(3) by adding at the end the following new subsection:

"(h) SUNSET OF MEDICAID FUNDING LIMITATIONS FOR PUERTO RICO, THE VIRGIN ISLANDS OF THE UNITED STATES, GUAM, THE NORTHERN MARIANA ISLANDS, AND AMERICAN SAMOA.—Subsections (f) and (g) shall not apply to Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa beginning with fiscal year 2017."

(b) CONFORMING AMENDMENTS.—

(1) Section 1902(j) of the Social Security Act (42 U.S.C. 1396a(j)) is amended by striking "the limitation in section 1108(f)".

(2) Section 1903(u) of the Social Security Act (42 U.S.C. 1396b(u)) is amended by striking paragraph (4).

(3) Section 1323(c)(1) of the Patient Protection and Affordable Care Act (42 U.S.C. 18043(c)(1)) is amended by striking "2019" and inserting "2016".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply beginning with fiscal year 2017.

##### SEC. 802. ELIMINATION OF SPECIFIC FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) LIMITATION FOR TERRITORIES.

Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (b)(2), by inserting "for fiscal years before fiscal year 2017" after "American Samoa"; and

(2) in subsection (y)(1), in the matter preceding subparagraph (A)—

(A) by inserting "for fiscal years before fiscal year 2017," before "is one of the"; and

(B) by inserting "and, for fiscal year 2017 and subsequent fiscal years, is one of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or American Samoa," after "the District of Columbia".

##### SEC. 803. APPLICATION OF MEDICAID WAIVER AUTHORITY TO ALL OF THE TERRITORIES.

(a) IN GENERAL.—Section 1902(j) of the Social Security Act (42 U.S.C. 1396a(j)) is amended—

(1) by striking "American Samoa and the Northern Mariana Islands" and inserting "Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa";

(2) by striking "American Samoa or the Northern Mariana Islands" and inserting "Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or American Samoa";

(3) by inserting "(1)" after "(j)";

(4) by inserting "except as otherwise provided in this subsection," after "Notwithstanding any other requirement of this title"; and

(5) by adding at the end the following:

"(2) The Secretary may not waive under this subsection the requirement of subsection (a)(10)(A)(i)(IX) (relating to coverage of adults formerly under foster care) with respect to any territory."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply beginning October 1, 2016.

##### SEC. 804. APPLICATION OF 100 PERCENT FEDERAL POVERTY LINE (FPL) LIMITATION TO TERRITORIES.

(a) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) in subsection (a)(10)(A)(i)(VIII), by inserting "(or, subject to subsection (j), 100 percent in the case of Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa)" after "133 percent"; and

(2) in subsection (j), as amended by section 803, by adding at the end the following new paragraph:

"(3)(A) Subject to subparagraph (B), Federal financial participation shall not be available to Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or American Samoa for medical assistance for an individual whose family income exceeds 100 percent of the official poverty line for a family of the size involved, except in the case of individuals qualifying for medical assistance under subsection (a)(10)(A)(i)(IX)."

"(B) The Secretary may, under paragraph (1) or section 1115, waive the limitation under subparagraph (A) in the case of a territory other than Puerto Rico. In carrying out this subparagraph, the Secretary shall take into account the eligibility levels established under the State plan of the territory involved before the date of the enactment of this paragraph."

(b) NOT APPLYING 5 PERCENT DISREGARD.—Section 1902(e)(14)(I) of the Social Security Act (42 U.S.C. 1396b(e)(14)(I)) is amended by adding at the end the following:

"The previous sentence shall only apply to a State that is one of the 50 States or the District of Columbia."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to eligibility determinations made with respect to items and services furnished on or after October 1, 2016.

##### SEC. 805. PERMITTING MEDICAID DSH ALLOTMENTS FOR TERRITORIES.

Section 1923(f) of the Social Security Act (42 U.S.C. 1396) is amended—

(1) in paragraph (6), by adding at the end the following new subparagraph:

"(C) TERRITORIES.—

"(i) FISCAL YEAR 2017.—For fiscal year 2017, with respect to the territories of Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa, the DSH allotment determined for each such territory shall bear the same ratio to \$150,000,000 as the ratio of the number of individuals who are low-income or uninsured and residing in each such respective territory (as estimated from time to time by the Secretary) bears to the sums of the number of such individuals residing in all of the territories.

"(ii) SUBSEQUENT FISCAL YEAR.—For each subsequent fiscal year, the DSH allotment for each such territory is subject to an increase or reduction in accordance with paragraphs (3) and (7)."

(2) in paragraph (7)(A), by striking clause (iv) and redesignating clause (v) as clause (iv); and

(3) in paragraph (9), by inserting before the period at the end the following: "and includes, beginning with fiscal year 2017, Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa".

# Subtitle B—Medicare

## PART I—PART A

### SEC. 811. CALCULATION OF MEDICARE DSH PAYMENTS FOR IPPS HOSPITALS IN PUERTO RICO.

Section 1886(d)(9)(D)(iii) of the Social Security Act (42 U.S.C. 1395ww(d)(9)(D)(iii)) is amended to read as follows:

“(iii) Subparagraph (F) (relating to disproportionate share payments), including application of subsection (r), except that for this purpose—

“(I) the sum described in clause (ii) of this subparagraph shall be substituted for the sum referred to in paragraph (5)(F)(ii)(I); and

“(II) for discharges occurring on or after October 1, 2016, subclause (I) of paragraph (5)(F)(vi) shall be applied by substituting for the numerator described in such subclause the number of subsection (d) Puerto Rico hospital’s patient days for the cost reporting period involved which were made up of patients who (for such days) were entitled to benefits under part A of this title and were—

“(aa) entitled to supplementary security income benefits (excluding any State supplementation) under title XVI of this Act;

“(bb) eligible for medical assistance under a State plan under title XIX; or

“(cc) receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI.”.

## PART II—PART B

### SEC. 821. APPLICATION OF PART B DEEMED ENROLLMENT PROCESS TO RESIDENTS OF PUERTO RICO; SPECIAL ENROLLMENT PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES.

(a) APPLICATION OF PART B DEEMED ENROLLMENT PROCESS TO RESIDENTS OF PUERTO RICO.—Section 1837(f)(3) of the Social Security Act (42 U.S.C. 1395p(f)(3)) is amended by striking “, exclusive of Puerto Rico”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals whose initial enrollment period under section 1837(d) of the Social Security Act begins on or after the first day of the effective month, specified by the Secretary of Health and Human Services under section 1839(j)(1)(C) of such Act, as added by subsection (c)(2).

(c) TRANSITION PROVIDING SPECIAL ENROLLMENT PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES FOR CERTAIN MEDICARE BENEFICIARIES.—Section 1839 of the Social Security Act (42 U.S.C. 1395r) is amended—

(1) in the first sentence of subsection (b), by inserting “subject to section 1839(j)(2),” after “subsection (i)(4) or (l) of section 1837.”; and

(2) by adding at the end the following new subsection:

“(j) SPECIAL RULES FOR CERTAIN RESIDENTS OF PUERTO RICO.—

“(1) SPECIAL ENROLLMENT PERIOD, COVERAGE PERIOD FOR RESIDENTS WHO ARE ELIGIBLE BUT NOT ENROLLED.—

“(A) IN GENERAL.—In the case of a transition individual (as defined in paragraph (3)) who is not enrolled under this part as of the day before the first day of the effective month (as defined in subparagraph (C)), the Secretary shall provide for a special enrollment period under section 1837 of 7 months beginning with such effective month during which the individual may be enrolled under this part.

“(B) COVERAGE PERIOD.—In the case of such an individual who enrolls during such special enrollment period, the coverage period under section 1838 shall begin on the first day of the second month after the month in which the individual enrolls.

“(C) EFFECTIVE MONTH DEFINED.—In this section, the term ‘effective month’ means a month, not earlier than October 2016 and not

later than January 2017, specified by the Secretary.

“(2) REDUCTION IN LATE ENROLLMENT PENALTIES FOR CURRENT ENROLLEES AND INDIVIDUALS ENROLLING DURING TRANSITION.—

“(A) IN GENERAL.—In the case of a transition individual who is enrolled under this part as of the day before the first day of the effective month or who enrolls under this part on or after the date of the enactment of this subsection but before the end of the special enrollment period under paragraph (1)(A), the amount of the late enrollment penalty imposed under section 1839(b) shall be recalculated by reducing the penalty to 15 percent of the penalty otherwise established.

“(B) APPLICATION.—Subparagraph (A) shall be applied in the case of a transition individual who—

“(i) is enrolled under this part as of the month before the effective month, for premiums for months beginning with such effective month; or

“(ii) enrolls under this part on or after the date of the enactment of this Act and before the end of the special enrollment period under paragraph (1)(A), for premiums for months during the coverage period under this part which occur during or after the effective month.

“(C) LOSS OF REDUCTION IF INDIVIDUAL TERMINATES ENROLLMENT.—Subparagraph (A) shall not apply to a transition individual if the individual terminates enrollment under this part after the end of the special enrollment period under paragraph (1).

“(3) TRANSITION INDIVIDUAL DEFINED.—In this section, the term ‘transition individual’ means an individual who resides in Puerto Rico and who would have been deemed enrolled under this part pursuant to section 1837(f) before the first day of the effective month but for the fact that the individual was a resident of Puerto Rico, regardless of whether the individual is enrolled under this part as of such first day.”.

### SEC. 822. PUERTO RICO PRACTICE EXPENSE GPIC IMPROVEMENT.

Section 1848(e)(1) of the Social Security Act (42 U.S.C. 1395w-4(e)(1)) is amended—

(1) in subparagraph (A), by striking “and (I)” and inserting “(I), and (J)”;

(2) by adding at the end the following new subparagraph:

“(J) FLOOR FOR PRACTICE EXPENSE INDEX FOR SERVICES FURNISHED IN PUERTO RICO.—

“(i) IN GENERAL.—For purposes of payment for services furnished in Puerto Rico in a year (beginning with 2016), after calculating the practice expense index in subparagraph (A)(i) for Puerto Rico, if such index is below the reference index (as defined in clause (ii)) for the year, the Secretary shall increase such index for Puerto Rico to equal the value of the reference index for the year. The preceding sentence shall not be applied in a budget neutral manner.

“(ii) REFERENCE INDEX DEFINED.—In this subparagraph, the term ‘reference index’ means, with respect to a year, 0.800 or, if less, the lowest practice expense index value for the year for any area in the 50 States or the District of Columbia.”.

## PART III—MEDICARE ADVANTAGE (PART C)

### SEC. 831. ADJUSTMENT IN BENCHMARK FOR LOW BASE PAYMENT COUNTIES IN PUERTO RICO.

Section 1853(n) of the Social Security Act (42 U.S.C. 1395w-23(n)) is amended—

(1) in paragraph (1), by striking “and (5)” and inserting “, (5), and (6)”;

(2) in paragraph (4), by striking “In no case” and inserting “Subject to paragraph (6), in no case”;

(3) by adding at the end the following new paragraph:

“(6) SPECIAL RULES FOR BLENDED BENCHMARK AMOUNT FOR TERRITORIES.—

“(A) IN GENERAL.—Subject to paragraph (2), the blended benchmark amount for an area in a territory for a year (beginning with 2016) shall not be less than 80 percent of the national average of the base payment amounts specified in subparagraph (2)(E) for such year for areas within the 50 States and the District of Columbia.

“(B) LIMITATION.—In no case shall the blended benchmark amount for an area in a territory for a year under subparagraph (A) exceed the lowest blended benchmark amount for any area within the 50 States and the District of Columbia for such year.”.

## PART IV—PART D

### SEC. 841. IMPROVED USE OF ALLOCATED PRESCRIPTION DRUG FUNDS BY TERRITORIES.

Section 1935(e) of the Social Security Act (42 U.S.C. 1396u-5(e)) is amended by adding at the end the following new paragraph:

“(5) IMPROVED USE OF FUNDS FOR LOW-INCOME PART D ELIGIBLE INDIVIDUALS.—This subsection shall be applied beginning on January 1, 2016, as follows, notwithstanding any other provision of this title:

“(A) CLARIFYING STATE FLEXIBILITY TO COVER NON-DUAL-ELIGIBLE INDIVIDUALS.—For purposes of this subsection, the term ‘medical assistance’ includes financial assistance furnished under this subsection by a State other than the 50 States or the District of Columbia to part D eligible individuals who, if they were residing in one of the 50 States or the District of Columbia, would qualify as subsidy eligible individuals under section 1860D-14(a)(3), without regard to whether such individuals otherwise qualify for medical assistance under this title.

“(B) 100 PERCENT FMAP TO REFLECT NO STATE MATCHING REQUIRED FOR PART D LOW INCOME SUBSIDIES.—The Federal medical assistance percentage applicable to the assistance furnished under this subsection is 100 percent.

“(C) LIMITED FUNDING FOR SPECIAL RULES.—Subparagraphs (A) and (B), and the provision of medical assistance for covered part D drugs to low-income part D eligible individuals for a State and year under this subsection, are limited to the amount specified in paragraph (3) for such State and year, without regard to the application of subsection (f) or (g) of section 1108.”.

### SEC. 842. REPORT ON TREATMENT OF TERRITORIES UNDER MEDICARE PART D.

Paragraph (4) of section 1935(e) of the Social Security Act (42 U.S.C. 1396u-5(e)) is amended to read as follows:

“(4) REPORT ON APPLICATION OF SUBSECTION.—

“(A) IN GENERAL.—Not later than May 1, 2018, the Secretary shall submit to Congress a report on the application of this subsection during the period beginning with fiscal year 2006 and ending with December 31, 2017.

“(B) INFORMATION TO BE INCLUDED IN REPORT.—Such report shall include—

“(i) program guidance issued by the Secretary to implement this subsection;

“(ii) for each of Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa, information on the increased amount under paragraph (3) and how the territory has applied such amount, including the territory’s program design, expenditures, and number of individuals (and dual-eligible individuals) assisted; and

“(iii) a description of the differences between how such territories are treated under part D of title XVIII and under this title compared with the treatment of the 50 States and the District of Columbia under such part and this title for different fiscal

years within the period covered under the report.

“(C) RECOMMENDATIONS.—Such report shall include recommendations for improving prescription drug coverage for low-income individuals in each territory identified in subparagraph (B)(ii), including recommendations regarding each of the following alternative approaches:

“(i) Adjusting the aggregate amount specified in paragraph (3)(B).

“(ii) Allowing residents of the territories to be subsidy eligible individuals under section 1860D-14, notwithstanding subsection (a)(3)(F) of such section, or providing substantially equivalent low-income prescription drug subsidies to such residents.”.

#### Subtitle C—Miscellaneous

#### SEC. 851. REPORT ON EXCLUSION OF TERRITORIES FROM EXCHANGES.

(a) IN GENERAL.—Not later than February 1, 2018, the Secretary of Health and Human Services shall submit to Congress a report that details the adverse impacts in each territory from the practical exclusion of the territories from the provisions of part II of subtitle D of title I of the Patient Protection and Affordable Care Act insofar as such provisions provide for the establishment of an American Health Benefit Exchange or the administration of a federally facilitated Exchange in each State and in the District of Columbia for the purpose of making health insurance more affordable and accessible for individuals and small businesses.

(b) INFORMATION IN REPORT.—The report shall include information on the following:

(1) An estimate of the total number of uninsured and underinsured individuals residing in each territory with respect to health insurance coverage.

(2) A description of the number of health insurance issuers in each territory and the health insurance plans these issuers offer.

(3) An estimate of the number of individuals residing in each territory who are denied premium and cost-sharing assistance that would otherwise be available to them for obtaining health insurance coverage through an Exchange if they resided in one of the 50 States or in the District of Columbia.

(4) An estimate of the amount of Federal assistance described in paragraph (3) that is not being made available to residents of each territory.

(5) An estimate of the number of small employers in each territory that would be eligible to purchase health insurance coverage through a Small Business Health Options Program (SHOP) Marketplace that would operate as part of an Exchange if the employers were in one of the 50 States or in the District of Columbia.

**SA 4876.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

This Act shall take effect 2 days after the date of enactment.

**SA 4877.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike “2 days” and insert “3 days”.

**SA 4878.** Mr. McCONNELL submitted an amendment intended to be proposed

by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

This Act shall take effect 3 days after the date of enactment.

**SA 4879.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike “3 days” and insert “4 days”.

**SA 4880.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike “4” and insert “5”.

**SA 4881.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of section 109, add the following:

(c) THREE-YEAR RESTRICTION.—

(1) IN GENERAL.—Any individual who serves as a member of the Oversight Board shall not, during the 3-year period beginning on the date on which his or her membership on the Oversight Board terminates, knowingly make, with the intent to influence, any communication to or appearance before any member of the Oversight Board on behalf of any other person (except the United States or a State or local government).

(2) PENALTY.—Any individual who violates subparagraph (A) shall be subject to the penalties described in section 216 of title 18, United States Code.

**SA 4882.** Mr. MENENDEZ (for himself and Ms. WARREN) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Puerto Rico Stability Act of 2016”.

#### SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

#### TITLE I—TECHNICAL ASSISTANCE AND FISCAL REFORM

##### Subtitle A—Technical Assistance

Sec. 101. Definitions.

Sec. 102. Improving accounting and disclosure practices.

Sec. 103. Purchases by territory government.

##### Subtitle B—Fiscal Stability and Reform Boards and Chief Financial Officers

Sec. 111. Establishment of Fiscal Stability and Reform Board.

Sec. 112. Establishment of Chief Financial Officer.

Sec. 113. Development and approval of fiscal plans.

Sec. 114. Severability.

#### TITLE II—ADJUSTMENTS OF DEBTS OF A TERRITORY OR ITS MUNICIPALITIES

##### Subtitle A—General Provisions

Sec. 201. Definitions.

Sec. 202. Who may be a debtor.

Sec. 203. Reservation of territorial power to control municipalities.

Sec. 204. Limitation on jurisdiction and powers of court.

##### Subtitle B—Initial Stay on Litigation

Sec. 211. Definitions.

Sec. 212. Effective date.

Sec. 213. Automatic stay.

##### Subtitle C—Adjudication and Judicial Review

Sec. 221. Petition and proceedings relating to petition.

Sec. 222. Jurisdiction.

Sec. 223. Venue.

Sec. 224. Selection of presiding judge.

Sec. 225. Appellate review.

Sec. 226. Applicable rules of procedure.

Sec. 227. Severability.

##### Subtitle D—The Plan

Sec. 231. Filing of plan of adjustment.

Sec. 232. Confirmation.

##### Subtitle E—Additional Provisions

Sec. 241. Compensation of professionals.

Sec. 242. Interim compensation.

Sec. 243. Applicability of other sections.

#### TITLE III—PUERTO RICO CHAPTER 9 UNIFORMITY

Sec. 301. Short title.

Sec. 302. Amendment.

Sec. 303. Effective date; application of amendment.

Sec. 304. Severability.

#### TITLE I—TECHNICAL ASSISTANCE AND FISCAL REFORM

##### Subtitle A—Technical Assistance

#### SEC. 101. DEFINITIONS.

In this title:

(1) BOARD.—The term “Board” means a Fiscal Stability and Reform Board established in accordance with section 111.

(2) CHIEF FINANCIAL OFFICER.—The term “Chief Financial Officer” means a Chief Financial Officer established in accordance with section 112.

(3) COMPLIANT BUDGET.—The term “compliant budget” means a budget that is prepared in accordance with—

(A) modified accrual accounting standards; and

(B) the applicable Fiscal Plan.

(4) COVERED TERRITORIAL INSTRUMENTALITY.—The term “covered territorial instrumentality” means a territorial instrumentality designated by the Board pursuant to section 111(b) to be subject to the requirements of subtitle B.

(5) COVERED TERRITORY.—The term “covered territory” means a territory for which a Board has been established under section 111.

(6) FISCAL PLAN.—The term “Fiscal Plan” means a fiscal plan for a covered territory submitted and approved in accordance with section 113.

(7) GOVERNOR.—The term “Governor” means the chief executive of a territory.

(8) LEGISLATURE.—

(A) IN GENERAL.—The term “legislature” means the legislative body responsible for enacting the laws of a territory.

(B) EXCLUSION.—The term “legislature” does not include Congress.

(9) MODIFIED ACCRUAL ACCOUNTING STANDARDS.—The term “modified accrual accounting standards” means accounting standards

issued by the Governmental Accounting Standards Board that recognize—

(A) revenues as they become available and measured; and

(B) expenditures as liabilities are incurred.

(10) OFFICE.—The term “Office” means an Office of the Chief Financial Officer established in accordance with section 112.

(11) TERRITORIAL GOVERNMENT.—The term “territorial government” means the government of a covered territory, including each territorial instrumentality of the government of the covered territory.

(12) TERRITORIAL INSTRUMENTALITY.—

(A) IN GENERAL.—The term “territorial instrumentality” means a political subdivision, public agency, instrumentality, or public corporation of a territory.

(B) EXCLUSION.—The term “territorial instrumentality” does not include a Board.

(13) TERRITORY.—The term “territory” means—

(A) the Commonwealth of Puerto Rico;

(B) Guam;

(C) American Samoa;

(D) the Commonwealth of the Northern Mariana Islands; or

(E) the United States Virgin Islands.

#### SEC. 102. IMPROVING ACCOUNTING AND DISCLOSURE PRACTICES.

(a) IN GENERAL.—On request of the applicable Governor, legislature, or Board (if any), the Secretary of the Treasury (referred to in this section as the “Secretary”) may provide technical assistance to a territory that the Secretary determines to be eligible for technical assistance relating to fiscal and financial practices.

(b) INCLUSIONS.—In providing technical assistance under subsection (a), the Secretary may, in association with any Federal department or agency or the Federal Reserve System, including any Federal Reserve Bank, provide assistance relating to—

(1) information technology upgrades;

(2) improving economic forecasting, including multiyear fiscal forecasting capabilities;

(3) budgeting, tax collection, cash management, and spending controls;

(4) ensuring that agencies in the territory use financial systems that are compatible with the systems of other agencies of the territory and Federal agencies to provide for consistent, timely financial reporting and visibility into expenses;

(5) improving and expanding economic indicators for the territory to make available for the territory the indicators regularly used to track regional conditions on the United States mainland; and

(6) such other matters as the Secretary, in consultation with the territory, determines to be appropriate.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

#### SEC. 103. PURCHASES BY TERRITORY GOVERNMENT.

Section 302 of the Omnibus Insular Areas Act of 1992 (48 U.S.C. 1469e) is amended to read as follows:

##### “SEC. 302. INSULAR GOVERNMENT PURCHASES.

“The governments of the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands are authorized to make purchases through the General Services Administration.”.

##### Subtitle B—Fiscal Stability and Reform Boards and Chief Financial Officers

#### SEC. 111. ESTABLISHMENT OF FISCAL STABILITY AND REFORM BOARD.

(a) REQUEST.—Effective on the date on which the Governor of a territory signs a resolution adopted by the legislature of the territory to request the establishment of a Fis-

cal Stability and Reform Board under this subtitle, a Board is established for the territory.

(b) BOARD OVERSIGHT OF TERRITORIAL INSTRUMENTALITIES.—

(1) DESIGNATION.—

(A) IN GENERAL.—A Board, at such time as the Board determines to be appropriate, may designate a territorial instrumentality as a covered territorial instrumentality that is subject to the requirements of this subtitle.

(B) BUDGETS AND REPORTS.—A Board may require the Governor or the Chief Financial Officer of the applicable covered territory to submit to the Board such annual budgets or monthly or quarterly reports relating to a covered territorial instrumentality as the Board determines to be necessary.

(C) INCLUSION IN FISCAL PLAN.—The Governor of the applicable covered territory shall include in the applicable Fiscal Plan a description of each requirement under section 113(c) for each covered territorial instrumentality.

(2) EXCLUSION.—

(A) IN GENERAL.—A Board, at such time as the Board determines to be appropriate, may exclude any territorial instrumentality of the covered territory from the requirements of this subtitle.

(B) TREATMENT.—A territorial instrumentality excluded pursuant to this paragraph shall not be considered to be a covered territorial instrumentality.

(c) EXEMPTION FROM LIABILITY FOR CLAIMS.—A Board, and each member of the Board, shall not be liable for any obligation of, or claim against, the applicable covered territory resulting from any action of the Board to carry out this subtitle.

(d) MEMBERSHIP.—

(1) IN GENERAL.—A Board shall consist of 9 members who meet the qualifications described in paragraph (6), and of whom:

(A) 2 members shall be appointed by the President in accordance with the requirements described in paragraph (5).

(B) 2 members shall be appointed by the Governor of the applicable covered territory.

(C) 1 member shall be appointed by the chief justice of the highest appellate court of the applicable covered territory.

(D) 4 members shall be appointed by the legislature of the applicable covered territory as follows:

(i) If the legislature has 2 chambers—

(I) 1 member shall be appointed by the political party holding the most seats in the lower chamber of the legislature;

(II) 1 member shall be appointed by the political party holding the second-most seats in the lower chamber of the legislature;

(III) 1 member shall be appointed by the political party holding the most seats in the upper chamber of the legislature; and

(IV) 1 member shall be appointed by the political party holding the second-most seats in the upper chamber of the legislature.

(ii) If the legislature has 1 chamber—

(I) 2 members shall be appointed by the political party holding the most seats in the legislature; and

(II) 2 members shall be appointed by the political party holding the second-most seats in the legislature.

(2) CHAIRPERSON.—The member appointed under paragraph (1)(C) shall serve as the chairperson of the Board.

(3) PERIOD OF APPOINTMENT.—

(A) IN GENERAL.—Except for the member appointed under paragraph (1)(C) and for the initial terms of members, each member of the Board shall be—

(i) appointed for a term of 4 years; and

(ii) eligible for reappointment.

(B) INITIAL TERMS.—

(i) For members appointed under paragraph (1)(A), as designated by the President at the time of appointment—

(I) 1 member shall be appointed for a term of 2 years; and

(II) 1 member shall be appointed for a term of 4 years.

(ii) For members appointed under paragraph (1)(B)—

(I) both members shall be appointed to a term to terminate 6 months after the next gubernatorial election; and

(II) in the event that the Governor of a territory signs a resolution adopted by the legislature of the territory to request the establishment of a Board under this subtitle within 12 months of the next gubernatorial election, both members shall be appointed to a term of 2 years.

(iii) For members appointed under paragraph (1)(C), the member shall remain appointed for the life of the Board.

(iv) For members appointed under paragraph (1)(D), as designated by the appointing entity at the time of appointment—

(I) if the legislature has 2 chambers—

(aa) 1 member shall be appointed by the political party holding the most seats in the lower chamber of the legislature to a term to terminate 6 months after the next legislative election of the applicable territory;

(bb) 1 member shall be appointed by the political party holding the second-most seats in the lower chamber of the legislature to a term to terminate 6 months after the next legislative election of the applicable territory;

(cc) 1 member shall be appointed by the political party holding the most seats in the upper chamber of the legislature to a term to terminate 30 months after the next legislative election of the applicable territory; and

(dd) 1 member shall be appointed by the political party holding the second-most seats in the upper chamber of the legislature to a term to terminate 30 months after the next legislative election of the applicable territory; and

(II) if the legislature has 1 chamber—

(aa) 1 member shall be appointed by the political party holding the most seats in the legislature to a term to terminate 6 months after the next legislative election of the applicable territory;

(bb) 1 member shall be appointed by the political party holding the second-most seats in the legislature to a term to terminate 6 months after the next legislative election of the applicable territory;

(cc) 1 member shall be appointed by the political party holding the most seats in the legislature to a term to terminate 30 months after the next legislative election of the applicable territory; and

(dd) 1 member shall be appointed by the political party holding the second-most seats in the legislature to a term to terminate 30 months after the next legislative election of the applicable territory.

(4) VACANCIES.—

(A) IN GENERAL.—Each member shall remain appointed as long as the applicable qualifications of appointment under paragraph (6) remain satisfied, except that any member may be removed by the original appointing entity.

(B) EFFECT.—Any vacancy in the Board—

(i) shall not affect the powers of the Board; and

(ii) shall be filled in the same manner as the original appointment by the original appointing entity as soon as practicable after the date on which the vacancy occurs, subject to the approval described in paragraph (3).

(C) TERM.—A member appointed to fill a vacancy shall serve for the remainder of the term to which the member was appointed.

(5) **APPROVAL OF MEMBERSHIP.**—A new member appointed shall be approved by the full board, excluding the member that the new member was appointed to replace.

(6) **REQUIREMENTS FOR PRESIDENTIAL APPOINTMENTS.**—

(A) **TIMING; REQUIRED CONSULTATION.**—As soon as practicable after the date on which a territory submits to the President a resolution described in subsection (a), and after consultation with the appropriate committees of Congress and the Governor of the applicable covered territory, the President shall appoint members to the Board under paragraph (1)(A).

(B) **REMOVAL.**—The President may remove a member appointed by the President only for cause.

(7) **QUALIFICATIONS.**—

(A) **IN GENERAL.**—An individual meets the qualifications for membership on the Board if the individual has knowledge and expertise relating to finance, management, economics, or the organization or operation of business or government.

(B) **CONNECTION TO COVERED TERRITORY.**—Not less than 6 members shall have knowledge and expertise relating to the history, socioeconomic circumstances, and heritage of the applicable covered territory.

(C) **RESIDENCE IN COVERED TERRITORY.**—Not less than 6 members shall maintain a primary residence in the applicable covered territory.

(D) **SPECIAL LIMITATION ON MEMBERSHIP.**—No current member of the applicable territory's legislature shall be eligible to serve on the Board.

(8) **CONFLICTS OF INTEREST.**—

(A) **IN GENERAL.**—An individual appointed to serve as a member of the Board—

(i) shall be subject to—

(I) the Federal conflict of interest requirements described in section 208 of title 18, United States Code, except with respect to subsection (b) of that section; and

(II) the conflict of interest disclosure requirements under title I of the Ethics in Government Act of 1978 (5 U.S.C. App.); and

(ii) shall not have any other conflict of interest relating to the duties of the Board, including ownership of any debt security of—

(I) the applicable territorial government; or

(II) a territorial instrumentality.

(B) **DEFINITION.**—For purposes of subparagraph (A)(ii), the term “conflict of interest” includes the interests of an organization in which the individual is serving as officer, director, trustee, general partner or employee, or any person or organization with whom the individual is negotiating or has any arrangement concerning prospective employment.

(C) **3-YEAR RESTRICTION.**—

(i) **IN GENERAL.**—Any individual who serves as a member of the Board shall not, during the 3-year period beginning on the date on which membership on the Board terminates, knowingly make, with the intent to influence, any communication to or appearance before any member of the Board or Chief Financial Officer on behalf of any other person (except the United States or a State or local government).

(ii) **PENALTY.**—Any individual who violates clause (i) shall be subject to the penalties described in section 216 of title 18, United States Code.

(iii) **VIOLATIONS.**—If a member of the Board is determined to be in violation of the requirements described in subparagraph (A), the member shall be removed from membership on the Board and may be subject to additional actions or penalties set forth under Federal ethics rules.

(e) **NO COMPENSATION FOR SERVICE.**—Each member of the Board shall—

(1) serve without compensation; and

(2) be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Board.

(f) **BYLAWS.**—

(1) **IN GENERAL.**—As soon as practicable after the appointment of all members to the Board, the Board shall adopt bylaws, rules, and procedures to govern the activities of the Board under this subtitle, including procedures for hiring experts and consultants.

(2) **TREATMENT.**—The bylaws, rules, and procedures adopted pursuant to this subsection shall be—

(A) public documents; and

(B) on adoption, submitted by the Board to—

(i) the President; and

(ii) the Governor and legislature of the applicable covered territory.

(g) **STAFF.**—

(1) **IN GENERAL.**—On the approval of the chairperson, the Board may appoint such staff as are necessary to enable the Board to perform the duties of the Board.

(2) **ELIGIBLE INDIVIDUALS.**—For purposes of chapter 11 of title 18, United States Code, and section 2635 of title 5, Code of Federal Regulations, or any successor thereto, the executive director and other staff employed by the Board shall be considered employees of an Executive agency (as defined in section 105 of title 5, United States Code), including a member of the staff who is—

(A) a private citizen;

(B) an employee of the applicable territorial government; or

(C) an employee of the Federal Government.

(3) **DETAILEES.**—

(A) **FEDERAL EMPLOYEES.**—On request of the chairperson of the Board, the head of a Federal department or agency may detail to the Board, on a reimbursable or nonreimbursable basis, and in accordance with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4701 et seq.), any of the personnel of the department or agency to assist the Board in the performance of the duties of the Board.

(B) **TERRITORIAL GOVERNMENT EMPLOYEES.**—On request of the chairperson of the Board, the head of any department or agency of the applicable territorial government may detail to the Board, on a reimbursable or nonreimbursable basis, any of the personnel of the department or agency to assist the Board in the performance of the duties of the Board.

(4) **OFFICERS.**—

(A) **APPOINTMENT.**—The chairperson may appoint to the Board an executive director or such other officers as the chairperson determines to be necessary to assist the Board in the performance of the duties of the Board.

(B) **TERM; PAYMENT.**—An executive director or officer appointed pursuant to subparagraph (A) shall serve for such period and be paid such compensation as the Board determines to be appropriate.

(h) **FUNDING.**—

(1) **IN GENERAL.**—The Board—

(A) may use funds provided by the applicable territorial government to ensure sufficient funds are made available to cover all expenses of the Board; and

(B) shall submit to the Governor and legislature of the applicable covered territory for inclusion in the annual budget appropriations process of the applicable territorial government a report describing any request and use of funds provided by the applicable territorial government.

(2) **LOCAL FUNDING.**—A covered territory shall designate a dedicated territorial government source of funding, not subject to

subsequent legislative appropriation, sufficient to support the annual costs of the Board, as determined by the Board, to carry out this subtitle.

(i) **POWERS.**—

(1) **HEARINGS.**—The Board may, for the purpose of performing the duties of the Board—

(A) hold such hearings, meet and act at such times and places, take such testimony, receive such evidence, and administer such oaths as the Board considers to be appropriate; and

(B) require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, tapes, and materials as the Board considers to be appropriate.

(2) **ISSUANCE AND ENFORCEMENT OF SUBPOENAS.**—

(A) **ISSUANCE.**—A subpoena issued under paragraph (1)(B) shall—

(i) bear the signature of the chairperson of the Board; and

(ii) be served by any person or class of persons designated by the chairperson to serve a subpoena under paragraph (1)(B).

(B) **ENFORCEMENT.**—In the case of contumacy or failure to obey a subpoena issued under paragraph (1)(B), the United States district court for the district in which the subpoenaed person resides, is served, or may be found may issue an order requiring the person—

(i) to appear at any designated place to testify; or

(ii) to produce documentary or other evidence.

(C) **NONCOMPLIANCE.**—Any failure to obey the order of a court under this paragraph may be punished by the court as a contempt of court.

(3) **ENTRANCE INTO CONTRACTS.**—The Board, or any of the staff of the Board on behalf of the Board, may enter into such contracts as the Board considers appropriate to carry out the duties of the Board.

(j) **DUTIES.**—

(1) **MONITORING AND RECOMMENDATIONS.**—

(A) **IN GENERAL.**—Based on information provided in a monthly report submitted under section 112(f)(1)(A), the Board may recommend to the Governor and legislature of the applicable covered territory policy adjustments that should be made to ensure the expenditures and revenues of the adopted budget for the applicable fiscal year are balanced.

(2) **IMPROVEMENTS TO OPERATIONAL EFFICIENCY.**—

(A) **IN GENERAL.**—The Board shall work with the applicable territorial government to improve the operational efficiency of the applicable territorial government, including the efforts of the applicable territorial government—

(i) to strengthen financial recordkeeping and reporting;

(ii) to control the number and cost of government contracts;

(iii) to collect and enforce the collection of taxes;

(iv) to promote economic growth;

(v) to improve Federal grant management; and

(vi) to increase the effective use of information technology.

(B) **REPORT.**—Within a reasonable period of time, the Board shall submit to the applicable territorial government a report describing recommendations to improve the operational efficiency of the applicable territorial government, including efforts described in subparagraph (A).

(3) **REVIEW OF BUDGETS; QUARTERLY REPORTS.**—

(A) **BUDGET PROPOSED BY GOVERNOR.**—

(i) **SUBMISSION TO BOARD.**—The Governor of the applicable covered territory shall submit to the Board for review a proposed budget for each fiscal year, in consultation with the Chief Financial Officer and based on the applicable forecast of revenues submitted by the Chief Financial Officer, by not later than the earlier of—

(I) the date that is 120 days before the first day of the fiscal year covered by the proposed budget; and

(II) the date that is 60 days before the date by which the Governor is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the applicable fiscal year.

(ii) **DETERMINATION OF COMPLIANT BUDGET.**—Not later than the date that is 15 days after the date on which a Board receives a proposed budget under clause (i), the Board shall—

(I) determine whether the proposed budget is a compliant budget; and

(II)(aa) if the proposed budget is a compliant budget—

(AA) approve the compliant budget; and

(BB) submit the compliant budget to the legislature of the applicable covered territory; or

(bb) if the proposed budget is not a compliant budget, provide to the Governor of the applicable covered territory—

(AA) a notice of violation that includes a description of any corrective action suggested by the Board; and

(BB) an opportunity to correct the violation by requiring the Governor to submit to the Board a revised budget by not later than the date that is 15 days after the date on which the notice of violation under subitem (AA) is provided.

(iii) **REVISED BUDGETS.**—Not later than the date that is 7 days after the date on which the Board receives a revised budget under clause (ii)(II)(bb)(BB), the Board shall—

(I) determine whether the revised budget is a compliant budget in consultation with the Chief Financial Officer; and

(II)(aa) if the revised budget is a compliant budget—

(AA) approve the compliant budget; and

(BB) submit the compliant budget to the legislature of the applicable covered territory; or

(bb) if the revised budget is not a compliant budget—

(AA) issue a notice of noncompliance;

(BB) publicly submit recommendations of the Board and the Chief Financial Officer for adjustments that should be made to ensure the adopted budget of the territorial government for the applicable fiscal year is a compliant budget;

(CC) submit the noncompliant budget to the legislature of the applicable covered territory with recommendations of the Board and the Chief Financial Officer for adjustments that should be made to ensure the adopted budget of the territorial government for the applicable fiscal year is a complaint budget; and

(DD) issue a directive that the legislature shall strive to adopt the Board's recommendations in the budget of the territorial government for the applicable fiscal year.

(B) **BUDGET APPROVAL BY LEGISLATURE.**—

(i) **IN GENERAL.**—The legislature of the applicable covered territory shall submit to the Board the budget adopted by the legislature not later than—

(I) the date that is 30 days before the first day of each applicable fiscal year; or

(II) the date previously approved in writing by the Board not to exceed 60 days after the first day of the applicable fiscal year, if a date was approved in writing.

(ii) **DETERMINATION BY BOARD.**—Not later than the date that is 7 days after the date on which the Board receives an adopted budget submitted under clause (i), the Board shall—

(I) determine whether the adopted budget is a compliant budget in consultation with the Chief Financial Officer; and

(II)(aa) if the adopted budget is a compliant budget, issue a compliance certification for the compliant budget; or

(bb) if the budget is not a compliant budget—

(AA) issue a certificate of noncompliance;

(BB) publicly submit recommendations of the Board and the Chief Financial Officer for adjustments that should be made to the budget of the territorial government for the upcoming fiscal year to ensure the revenues and expenditures are consistent with the Fiscal Plan;

(CC) provide to the Governor and legislature of the applicable covered territory a certificate of noncompliance that includes a description of any recommendations of the Board and the Chief Financial Officer for adjustments that should be made to the budget of the territorial government for the upcoming fiscal year to ensure the revenues and expenditures are consistent with the Fiscal Plan; and

(DD) issue a directive that the Governor and the legislature shall strive to adopt the Board's recommendations in the budget of the territorial government for the upcoming fiscal year.

(C) **QUARTERLY REPORTS.**—On receipt of a quarterly report from the Chief Financial Officer under section 112(f)(1)(B), the Board shall—

(i) conduct a review to determine whether the actual quarterly revenues and expenses for the applicable territorial government are in compliance with the applicable approved budget; and

(ii) if the Board determines that the actual quarterly revenues and expenses for the applicable territorial government are not in compliance with the applicable approved budget under clause (i), provide to the Governor recommendations for adjustments that should be made to ensure the revenues and expenditures of the adopted budget of the applicable territorial government for the applicable fiscal year are balanced.

(4) **ISSUANCE OF DEBT.**—No territorial government may, without providing prior written and public notice to the Board, issue debt or guarantee, exchange, modify, repurchase, redeem, or enter into a similar transaction with respect to the debt of the territorial government.

(5) **AUTHORITY TO REVIEW DISCRETIONARY TAX WAIVERS.**—

(A) **IN GENERAL.**—Not later than the date that is 180 days after the date of the establishment of a Board under subsection (a), the Governor of the applicable covered territory shall submit to the Board an audited report documenting each outstanding discretionary tax waiver agreement to which any entity of the applicable territorial government is a party, including each agreement pursuant to which the applicable entity of the territorial government waived, changed the due date of, or changed the amount of taxes due.

(B) **NEW TAX WAIVERS.**—Effective on the date on which a Board is established under subsection (a), no new tax waiver agreement may be executed by the applicable territorial government without prior approval of the Board.

(k) **TERMINATION OF BOARD.**—A Board shall terminate on certification by the Board that—

(1) the Board has been in operation for not less than 3 years and the applicable territorial government has adequate access, on an unsecured basis, to short-term and long-

term credit markets at reasonable interest rates to meet the borrowing needs of the territorial government using a compliant budget; or

(2) for not less than 3 consecutive fiscal years prior to the certification, the expenditures made by the applicable territorial government for each fiscal year did not exceed the revenues of the territorial government during that fiscal year, using a compliant budget.

## SEC. 112. ESTABLISHMENT OF CHIEF FINANCIAL OFFICER.

(a) **ESTABLISHMENT OF OFFICE.**—

(1) **IN GENERAL.**—Effective on the date on which the Governor of a territory signs a resolution adopted by the legislature of the territory to request the establishment of a Fiscal Stability and Reform Board under this subtitle, an Office of the Chief Financial Officer is established for the territory, which shall be headed by the Chief Financial Officer of the territory.

(2) **AUTHORITY TO REQUEST.**—Effective with the appointment of the first Chief Financial Officer under subsection (d), the Chief Financial Officer may request other offices be consolidated within the office, subject to the approval of the applicable territory's legislature, with the function and personnel of the offices transferred to the office.

(3) **RETENTION OF AUTHORITY.**—Notwithstanding paragraph (2), the applicable territory shall retain its authority to appoint and remove personnel and agency heads of consolidated offices.

(4) **CONFLICTS OF INTEREST.**—

(A) **IN GENERAL.**—An individual appointed to serve as a Chief Financial Officer—

(i) shall be subject to—

(I) the Federal conflict of interest requirements described in section 208 of title 18, United States Code, except with respect to subsection (b) of that section; and

(II) the conflict of interest disclosure requirements under title I of the Ethics in Government Act of 1978 (5 U.S.C. App.); and

(ii) shall not have any other conflict of interest relating to the duties of the Chief Financial Officer, including ownership of any debt security of—

(I) the applicable territorial government; or

(II) a territorial instrumentality.

(B) **DEFINITION.**—For purposes of subparagraph (A)(ii), the term "conflict of interest" includes the interests of an organization in which the individual is serving as officer, director, trustee, general partner or employee, or any person or organization with whom the individual is negotiating or has any arrangement concerning prospective employment.

(C) **3-YEAR RESTRICTION.**—

(i) **IN GENERAL.**—Any individual who serves as Chief Financial Officer shall not, during the 3-year period beginning on the date on which his or her tenure as Chief Financial Officer terminates, knowingly make, with the intent to influence, any communication to or appearance before any member of the Board or Chief Financial Officer on behalf of any other person (except the United States or a State or local government).

(ii) **PENALTY.**—Any individual who violates clause (i) shall be subject to the penalties described in section 216 of title 18, United States Code.

(iii) **VIOLATIONS.**—If a Chief Financial Officer is determined to be in violation of the requirements described in this subparagraph, the member shall be removed from the position of Chief Financial Officer and may be subject to additional actions or penalties set forth under Federal ethics rules.

(b) **STAFF.**—

(1) **IN GENERAL.**—The Chief Financial Officer may appoint such staff as are necessary



to enable the Office to perform the duties of the Office.

(2) **ELIGIBLE INDIVIDUALS.**—For purposes of chapter 11 of title 18, United States Code, and section 2635 of title 5, Code of Federal Regulations, or any successor thereto, the executive director and other staff employed by the office shall be considered employees of an Executive agency (as defined in section 105 of title 5, United States Code), including a member of the staff who is—

- (A) a private citizen;
- (B) an employee of the applicable territorial government; or
- (C) an employee of the Federal Government.

(3) **DETAILÉES.**—

(A) **FEDERAL EMPLOYEES.**—On request of the Chief Financial Officer, the head of a Federal department or agency may detail to the Office, on a reimbursable or nonreimbursable basis, and in accordance with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4701 et seq.), any of the personnel of the department or agency to assist the Office in the performance of the duties of the Office.

(B) **TERRITORIAL GOVERNMENT EMPLOYEES.**—On request of the Chief Financial Officer, the head of any department or agency of the applicable territorial government may detail to the Office, on a reimbursable or nonreimbursable basis, any of the personnel of the department or agency to assist the Office in the performance of the duties of the Office.

(C) **FUNDING.**—

(1) **IN GENERAL.**—The Chief Financial Officer—

(A) may use funds provided by the applicable territorial government to ensure sufficient funds are made available to cover all expenses of the Office; and

(B) shall submit to the Governor and legislature of the applicable covered territory for inclusion in the annual budget appropriations process of the applicable territorial government a report describing any request and use of funds provided by the applicable territorial government.

(2) **LOCAL FUNDING.**—A covered territory shall designate a dedicated territorial government source of funding, not subject to subsequent legislative appropriation, sufficient to support the annual costs of the Office, as determined by the Chief Financial Officer, to carry out this subtitle.

(d) **APPOINTMENT.**—

(1) **IN GENERAL.**—The Chief Financial Officer shall be appointed by the applicable territory's Governor as follows:

(A) Prior to the appointment of the Chief Financial Officer, the Board may submit recommendations for the appointment to the applicable territory's Governor.

(B) In consultation with the Board and the applicable territory's legislature, the applicable territory's Governor shall nominate an individual for appointment and notify the applicable territory's legislature of the nomination.

(C) After the expiration of the 7-day period that begins on the date the applicable territory's Governor notifies the legislature of the nomination under subparagraph (B), the applicable territory's Governor shall notify the Board of the nomination.

(D) The nomination shall be effective subject to approval by a majority vote of the Board.

(2) **REMOVAL.**—The Chief Financial Officer may be removed for cause by the Board or by the applicable territory's Governor with the approval of the Board.

(3) **SALARY.**—The Chief Financial Officer shall be paid at an annual rate determined by the Board as the Board determines to be appropriate.

(e) **POWERS.**—

(1) **ISSUANCE AND ENFORCEMENT OF SUBPOENAS.**—

(A) **PURPOSE.**—The Chief Financial Officer may, for the purpose of performing the duties of the office, require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, tapes, and materials as the Chief Financial Officer considers to be appropriate.

(B) **ISSUANCE.**—A subpoena issued under paragraph (1)(B) shall—

- (i) bear the signature of the Chief Financial Officer; and
- (ii) be served by any person or class of persons designated by the Chief Financial Officer to serve a subpoena under paragraph (1)(B).

(C) **ENFORCEMENT.**—In the case of contumacy or failure to obey a subpoena issued under paragraph (1)(B), the United States district court for the district in which the subpoenaed person resides, is served, or may be found may issue an order requiring the person—

- (i) to appear at any designated place to testify; or
- (ii) to produce documentary or other evidence.

(D) **NONCOMPLIANCE.**—Any failure to obey the order of a court under this paragraph may be punished by the court as a contempt of court.

(2) **ENTRANCE INTO CONTRACTS.**—The Chief Financial Officer, or any of the staff of the office on behalf of the Chief Financial Officer, may enter into such contracts as the Chief Financial Officer considers appropriate to carry out the duties of the office.

(f) **FUNCTIONS.**—In addition to any other duties necessary and proper to fulfill the purposes of the Office, the Chief Financial Officer shall have the following duties:

(1) **MONTHLY AND QUARTERLY REPORTS.**—The Chief Financial Officer, in consultation with the applicable territorial government, shall submit to the Board:

(A) A report not later than the date that is 7 days after the last day of each month to provide—

- (i) an accounting of the cash balance of the applicable territorial government; and
- (ii) a description of the amount of actual expenditures and revenues of the applicable territorial government, as compared to the amounts budgeted, for the applicable fiscal year.

(B) Not later than the date that is 15 days after the last day of each quarter of a fiscal year, the Chief Financial Officer in consultation with the Governor of the applicable covered territory shall submit to the Board, in such form as the Board may require, a report describing—

- (i) the actual cash revenues, cash expenditures, and cash flows of the territorial government for the preceding quarter; as compared to
- (ii) the actual cash revenues, cash expenditures, and cash flows contained in the approved budget for the applicable quarter.

(C) A report under subparagraph (B) shall include—

- (i) a description of any accrued revenues and expenditures during the applicable quarter, as compared to the accrued revenues and expenditures contained in the approved budget for the quarter; and
- (ii) a balance sheet, if the Board requires a balance sheet.

(2) **REVENUE FORECASTING.**—Not later than the date that is 75 days before the date on which the Governor of the applicable covered territory is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the upcoming fiscal year, the Chief Financial Of-

ficer shall submit to the applicable territorial government and Board a forecast of revenues for the upcoming fiscal year to be used to develop the budget.

(A) **REQUIREMENTS.**—A forecast under paragraph (2) shall be—

- (i) based on applicable law; and
- (ii) prepared in accordance with the applicable Fiscal Plan.

(3) **FINANCIAL AND ACCOUNTING INFORMATION.**—The Chief Financial Officer shall ensure the following:

(A) All financial information presented by the applicable territory is presented in a manner, and is otherwise consistent with any requirements promulgated by the Board.

(B) Appropriate procedures are implemented and institute such programs, systems, and personnel policies within the Officer's authority, to ensure that the applicable territory's budget, accounting and personnel control systems and structures are synchronized for budgeting and control purposes on a continuing basis.

(C) Appropriate forms of receipts, vouchers, bills, and claims to be used by all agencies, offices, and instrumentalities of the applicable territorial government.

(4) **ACCOUNTING MANAGEMENT.**—The Chief Financial Officer shall:

(A) Supervise the applicable territory's financial transactions to ensure adequate control of revenues and resources, and to ensure that appropriations are not exceeded.

(B) Maintain systems of accounting and internal control designed to provide—

(i) full disclosure of the financial impact of the activities of the applicable territorial government;

(ii) adequate financial information needed by the applicable territorial government for management purposes;

(iii) effective control over, and accountability for, all funds, property, and other assets of the applicable territorial government; and

(iv) reliable accounting results to serve as the basis for preparing and supporting agency budget requests and controlling the execution of the budget of the applicable territorial government.

(C) Maintain accounting of all public funds belonging to or under the control of the applicable territorial government (or any department or agency of the applicable territorial government).

(D) Maintain accounting of all investment and invested funds of the applicable territorial government or in possession of the applicable territorial government in a fiduciary capacity.

(E) Submit to the applicable territorial government a financial statement of the applicable territorial government, containing such details and at such times as the applicable territorial government may specify.

(5) **CERTIFYING CONTRACTS.**—All contracts (whether directly or through delegation) shall be certified by the Chief Financial Officer prior to execution as to the availability of funds to meet the obligations expected to be incurred by the applicable territorial government under such contracts during the year.

(6) **AUDITING.**—The Chief Financial Officer shall perform internal audits of accounts and operations and records of the applicable territorial government, including the examination of any accounts or records of financial transactions, giving due consideration to the effectiveness of accounting systems, internal control, and related administrative practices of the departments and agencies of the applicable territorial government.

#### SEC. 113. DEVELOPMENT AND APPROVAL OF FISCAL PLANS.

(a) **IN GENERAL.**—Not later than the date that is 60 days before the date on which the

Governor of an applicable covered territory is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the upcoming fiscal year, the Governor, in consultation with the Chief Financial Officer, shall develop and submit to the Board and applicable territorial government a Fiscal Plan for the applicable territorial government in accordance with this section.

(b) **INITIAL FISCAL PLAN.**—The Governor of an applicable covered territory in consultation with the Chief Financial Officer shall develop an initial Fiscal Plan in accordance with subsection (a) within 90 days of the Governor of the applicable covered territory signing a resolution adopted by the legislature of the territory to request the establishment of a Fiscal Stability and Reform Board under this subtitle, or not later than the date that is 60 days before the date on which the Governor of the applicable covered territory is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the upcoming fiscal year, whichever comes chronologically first.

(c) **REQUIREMENTS.**—

(1) **IN GENERAL.**—A Fiscal Plan shall, to the maximum extent practicable, with respect to the applicable territorial government—

(A) provide for estimates of revenues and expenditures in accordance with modified accrual accounting standards and based on—

(i) applicable laws; or  
(ii) specific laws that require enactment in order to reasonably achieve the projections of the Fiscal Plan;

(B) ensure the funding of essential public services;

(C) provide full funding to cover all existing public pension obligations;

(D) provide for the elimination of budget gaps in financing;

(E) provide for a reduction in the debt burden to a level that is sustainable;

(F) improve fiscal governance;

(G) enable the achievement of fiscal targets;

(H) create independent forecasts of revenue for the period covered by the Fiscal Plan; and

(I) not impede investments to promote sustained economic growth.

(2) **TERM.**—A Fiscal Plan shall be in effect for a period of not less than 5 years.

(3) **TRANSPARENCY.**—A Fiscal Plan shall be made publicly available no less than 15 days after final approval as specified within subsection (d).

(d) **APPROVAL BY BOARD.**—

(1) **REQUIREMENT.**—The Governor of a covered territory shall not submit to the legislature of the applicable covered territory an annual budget for a fiscal year unless the Fiscal Plan has been approved for that fiscal year in accordance with this subsection.

(2) **APPROVAL.**—Not later than the date that is 15 days after the date on which the Governor submits a Fiscal Plan to the Board under subsection (a), the Board shall—

(A) certify the Fiscal Plan; or

(B) fail to certify the Fiscal Plan and provide to the Governor recommendations for revisions to the Fiscal Plan.

(3) **REVISED FISCAL PLAN.**—

(A) **IN GENERAL.**—Not later than the date that is 15 days after the date on which the Board submits recommendations to the Governor under paragraph (2)(B), the Governor shall submit to the Board a revised Fiscal Plan.

(B) **APPROVAL; DISAPPROVAL.**—Not later than the date that is 7 days after the date on which the Governor submits to the Board a revised Fiscal Plan under subparagraph (A), the Board shall—

(i) certify the revised Fiscal Plan; or

(ii) disapprove the revised Fiscal Plan.

(4) **DEVELOPMENT BY BOARD.**—

(A) **IN GENERAL.**—

(i) **NONACTION BY GOVERNOR.**—If the Governor of a covered territory fails to submit to the Board a revised Fiscal Plan on or before the date specified in paragraph (3)(A), the Board shall develop and submit to the Governor a final revised Fiscal Plan not later than the date that is 22 days after the date on which recommendations are provided to the Governor under paragraph (2)(B).

(ii) **DISAPPROVAL BY BOARD.**—If the Board disapproves a revised Fiscal Plan under paragraph (3)(B)(ii), the Board shall develop and submit to the Governor a final revised Fiscal Plan not later than the date that is 7 days after the date of disapproval.

#### **SEC. 114. SEVERABILITY.**

If any provision of this subtitle or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this subtitle, and the application of the provision to any other person or circumstance, shall not be affected.

### **TITLE II—ADJUSTMENTS OF DEBTS OF A TERRITORY OR ITS MUNICIPALITIES**

#### **Subtitle A—General Provisions**

#### **SEC. 201. DEFINITIONS.**

In this title:

(1) **AFFILIATE.**—The term “affiliate” means, in addition to the definition made applicable in a case under this title by section 243(a)—

(A) for a Territory, any municipality of the Territory; and

(B) for a municipality, the governing Territory and any of the Territory’s other municipalities.

(2) **BOND.**—The term “Bond” means a bond, loan, line of credit, note, or other borrowing title, in physical or dematerialized form, of which—

(A) the issuer, borrower, or guarantor is the municipality or Territory as defined by paragraphs (5) and (11); and

(B) the date of issuance or incurrence of debt precedes the date of enactment of this Act.

(3) **COURT.**—The term “court” means the district court for the territory in which the debtor is located or, for any territory in which the debtor is located that does not have a district court, the United States District Court for the District of Hawaii.

(4) **DEBTOR.**—The term “debtor” means the Territory or municipality concerning which a case under this title has been commenced.

(5) **MUNICIPALITY.**—The term “municipality”—

(A) includes any political subdivision, public agency, instrumentality or instrumentality of a Territory; and

(B) should be broadly construed to effectuate the purposes of this title.

(6) **PROPERTY OF THE ESTATE.**—The term “property of the estate”, when used in section 541 of title 11, United States Code, made applicable in a case under this title by section 243(a) means property of the debtor.

(7) **SPECIAL REVENUES.**—The term “special revenues” means receipts derived from the ownership, operation, or disposition of projects or systems of the debtor that are primarily used or intended to be used primarily to provide transportation, utility, or other services, including the proceeds of borrowings to finance the projects or systems.

(8) **SPECIAL TAX PAYER.**—The term “special tax payer” means record owner or holder of legal or equitable title to real property against which a special assessment or special tax has been levied the proceeds of which are the sole source of payment of an obligation issued by the debtor to defray the cost of an improvement relating to such real property.

(9) **SPECIAL TAX PAYER AFFECTED BY THE PLAN.**—The term “special tax payer affected by the plan” means special tax payer with respect to whose real property the plan proposes to increase the proportion of special assessments or special taxes referred to in paragraph (2) assessed against such real property.

(10) **STATE.**—The term “State” when used in a section of title 11, United States Code, made applicable in a case under this title by section 243(a) means State or Territory when used in reference to a the relationship of a State to the municipality of the State.

(11) **TERRITORY.**—The term “Territory” means the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the United States Virgin Islands.

(12) **TRUSTEE.**—The term “trustee” when used in a section of title 11, United States Code, made applicable in a case under this title by section 243(a) means debtor, except as provided in section 926 of title 11, United States Code.

#### **SEC. 202. WHO MAY BE A DEBTOR.**

An entity may be a debtor under this title if the entity—

(1) is—

(A) a Territory that has requested the establishment of a Fiscal Stability and Reform Board in accordance with section 111; or

(B) a municipality—

(i) of a Territory that has requested the establishment of a Fiscal Stability and Reform Board in accordance with section 111; and

(ii) that has been specifically authorized, in its capacity as a municipality or by name, to be a debtor under this title by Territory law, or by a governmental officer or organization empowered by Territory law to authorize such entity to be a debtor under this title; and

(2) desires to effect a plan to adjust its debts.

#### **SEC. 203. RESERVATION OF TERRITORIAL POWER TO CONTROL MUNICIPALITIES.**

Subject to the limitations imposed by title III, this title does not limit or impair the power of a Territory to control, by legislation or otherwise, a municipality of or in the Territory in the exercise of the political or governmental powers of such municipality, including expenditures for such exercise, but—

(1) a Territory law prescribing a method of composition of indebtedness of such municipality may not bind any creditor that does not consent to such composition; and

(2) a judgment entered under such a law may not bind a creditor that does not consent to such composition.

#### **SEC. 204. LIMITATION ON JURISDICTION AND POWERS OF COURT.**

Subject to the limitations imposed by title II, notwithstanding any power of the court, unless the debtor consents or the plan so provides, the court may not, by any stay, order, or decree, in the case or otherwise, interfere with—

(1) any of the political or governmental powers of the debtor;

(2) any of the property or revenues of the debtor; or

(3) the debtor’s use or enjoyment of any income-producing property.

#### **Subtitle B—Initial Stay on Litigation**

#### **SEC. 211. DEFINITIONS.**

In this subtitle, any term not defined under section 201 that is defined in title 11, United States Code, has the meaning given that term under title 11, United States Code.

#### **SEC. 212. EFFECTIVE DATE.**

Effective on the date on which the Governor of a territory signs a resolution adopted by the legislature of the territory to request the establishment of a Fiscal Stability



and Reform Board under section 111, section 213 shall take effect.

#### SEC. 213. AUTOMATIC STAY.

(a) Except as otherwise provided in this section, the adoption of a resolution under section 111 operates with respect to any claim, debt, or cause of action related to a Bond as a stay, applicable to all entities (as such term is defined in section 101 of title 11, United States Code), of—

(1) the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against a Territory or municipality, or to recover a claim against a Territory or municipality;

(2) the enforcement, against a Territory or municipality or against property of a Territory or municipality, of a judgment;

(3) any act to obtain possession of property of a Territory or municipality, or of property from a Territory or municipality, or to exercise control over property of a Territory or municipality;

(4) any act to create, perfect, or enforce any lien against property of a Territory or municipality;

(5) any act to create, perfect, or enforce against property of a Territory or municipality any lien to the extent that such lien secures a claim;

(6) any act to collect, assess, or recover a claim against a Territory or municipality; and

(7) the setoff of any debt owing to a Territory or municipality against any claim against a Territory or municipality.

(b) The adoption of a resolution under section 111 does not operate as a stay under subsection (a) of this section of the continuation of, including the issuance or employment of process, a judicial, administrative, or other action or proceeding against a Territory or municipality that was commenced on or before the date of the adoption of the resolution under section 111.

(c) Except as provided in subsection (d), (e), or (f), a stay of an act under subsection (a) shall cease to have effect no later than 12 months after the date of the adoption of a resolution under section 111, or upon a the commencement of a voluntary case under this title by the filing with the bankruptcy court of a petition by an entity that may be a debtor under section 202, whichever comes chronologically first.

(d) On motion of a party in interest and after notice and a hearing, the court may grant relief from a stay under subsection (a)—

(1) for cause, including the lack of adequate protection of a security interest in property of such party in interest; or

(2) with respect to a stay of an act against property under subsection (a), if—

(A) the debtor does not have an equity in such property; and

(B) such property is not necessary for a Territory or municipality to provide essential services.

(e) Thirty days after a request under subsection (d) of this section for relief from the stay of any act against property of a Territory or municipality under subsection (a) of this section, such stay is terminated with respect to the party in interest making such request, unless the court, after notice and a hearing, orders such stay continued in effect pending the conclusion of, or as a result of, a final hearing and determination under subsection (d) of this section. A hearing under this subsection may be a preliminary hearing, or may be consolidated with the final hearing under subsection (d) of this section. The court shall order such stay continued in effect pending the conclusion of the final hearing under subsection (d) of this section if

there is a reasonable likelihood that the party opposing relief from such stay will prevail at the conclusion of such final hearing. If the hearing under this subsection is a preliminary hearing, then such final hearing shall be concluded not later than 30 days after the conclusion of such preliminary hearing, unless the 30-day period is extended with the consent of the parties in interest or for a specific time which the court finds is required by compelling circumstances.

(f) Upon request of a party in interest, the court, with or without a hearing, shall grant such relief from the stay provided under subsection (a) of this section as is necessary to prevent irreparable damage to the secured interest of an entity in property, if such interest will suffer such damage before there is an opportunity for notice and a hearing under subsection (d) or (e) of this section.

(g) No order, judgment, or decree entered in violation of this section shall have any force or effect.

(h) In any hearing under subsection (d) or (e) concerning relief from a stay—

(1) the party requesting such relief has the burden of proof on the issue of the debtor's equity in property; and

(2) the party opposing such relief has the burden of proof on all other issues.

#### Subtitle C—Adjudication and Judicial Review

#### SEC. 221. PETITION AND PROCEEDINGS RELATING TO PETITION.

(a) A voluntary case under this title is commenced by the filing with the bankruptcy court of a petition by an entity that may be a debtor under section 202.

(b) Notwithstanding section 202 and subsection (a), a case under this title concerning an unincorporated tax or special assessment district that does not have its own officials is commenced by the filing under subsection (a) of a petition by the governing authority of the district or the board or body having authority to levy taxes or assessments to meet the obligations of such district.

(c) After any objection to the petition, the court, after notice and a hearing, may dismiss the petition if—

(1) the debtor did not file the petition in good faith; or

(2) the petition does not meet the requirements of this title.

(d) If the petition is not dismissed under subsection (c), the court shall order relief under this title.

(e) The court may not—

(1) on account of an appeal from an order for relief, delay any proceeding under this title in the case in which the appeal is being taken; or

(2) order a stay of such proceeding pending such appeal.

(f) The reversal on appeal of a finding of jurisdiction shall not affect the validity of any debt incurred that is authorized by the court under section 364(c) or 364(d) of title 11, United States Code.

(g) For purposes of this title, the Governor may take any action necessary on behalf of the debtor to prosecute the debtor's case; including—

(1) filing a petition;

(2) submitting or modifying a plan of adjustment; or

(3) otherwise generally submitting filings in relation to the restructuring case with the court.

(h) Debtors under this title may file petitions or submit or modify plans of adjustment jointly if they are affiliates.

(i) Except as provided in subsection (j), this title shall take effect on the date of the enactment of this Act.

(j) This title shall apply with respect to—

(1) cases commenced under this title on or after the date of the enactment of this Act; and

(2) debts, claims, and liens created before, on, or after such date.

#### SEC. 222. JURISDICTION.

(a) The district courts shall have original and exclusive jurisdiction of a case under this title.

(b) Section 157 of title 28, United States Code, shall apply to a case under this title.

#### SEC. 223. VENUE.

Venue shall be proper in—

(1) with respect to a Territory, the district court for the Territory or, for any territory that does not have a district court, in the United States District Court for the District of Hawaii; and

(2) with respect to a municipality, the district court for the Territory in which the municipality is located or, for any territory that does not have a district court, in the United States District Court for the District of Hawaii.

#### SEC. 224. SELECTION OF PRESIDING JUDGE.

(a) For cases in which the debtor is a Territory, the chief judge of the court of appeals for the circuit embracing the district in which the case is commenced shall designate a bankruptcy judge to conduct the case.

(b) For cases in which the debtor is not a Territory, and the case has not been jointly filed with the case of a Territory or there is no case in which the affiliate Territory is a debtor, the chief judge of the court of appeals for the circuit embracing the district in which the case is commenced shall designate a bankruptcy judge to conduct the case.

(c) A bankruptcy judge designated under subsection (a) or (b) shall be subject to the provisions of chapter 6 of title 28, United States Code.

(d) Notwithstanding section 156, of title 28, United States Code, the bankruptcy judge designated under subsection (a) or (b) may appoint as many law clerks and additional judicial assistants as the judge deems necessary to assist in presiding over cases commenced under this title.

#### SEC. 225. APPELLATE REVIEW.

(a) Except as provided in subsection (b), subsections (a) and (d) of section 158 of title 28, United States Code, shall apply to a case under this title.

(b) Only an order confirming a plan of adjustment or dismissing a petition shall be considered final for purposes of section 158(a) of title 28, United States Code.

#### SEC. 226. APPLICABLE RULES OF PROCEDURE.

For all cases brought under this title, the Federal Rules of Bankruptcy Procedure shall apply.

#### SEC. 227. SEVERABILITY.

If any provision of this title or the application thereof to any person or circumstance is held invalid, the remainder of this title, or the application of that provision to persons or circumstances other than those as to which it is held invalid, is not affected thereby.

#### Subtitle D—The Plan

#### SEC. 231. FILING OF PLAN OF ADJUSTMENT.

The debtor shall file a plan for the adjustment of the debtor's debts. If such a plan is not filed with the petition, the debtor shall file such a plan at such later time as the court fixes.

#### SEC. 232. CONFIRMATION.

(a) A special tax payer may object to confirmation of a plan.

(b) The court shall confirm the plan if—

(1) the plan complies with the provisions of title 11, United States Code, made applicable in a case under this title by section 243(a);

(2) the plan complies with the provisions of this title;

(3) the debtor is not prohibited by law from taking any action necessary to carry out the plan;

(4) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that on the effective date of the plan each holder of a claim of a kind specified in section 507(a)(2) of title 11, United States Code, will receive on account of such claim cash equal to the allowed amount of such claim;

(5) any regulatory or electoral approval necessary under applicable nonbankruptcy law in order to carry out any provision of the plan has been obtained, or such provision is expressly conditioned on such approval;

(6) the plan is in the best interests of creditors and is feasible;

(7) the plan is consistent with the Fiscal Plan submitted under title II;

(8) the plan ensures that accrued pension liability in the Commonwealth Employee Retirement System and Teacher Retirement System shall be treated as senior, first priority secured debt, senior to any existing senior secured debt by statutory lien and notwithstanding any other provision of law may be satisfied by payment from the general revenues of the Commonwealth, provided that the maximum claim to be treated as secured by this senior, first priority secured statutory lien of an active annuitant shall be equal to the Pension Benefit Guaranty Corporation maximum guarantee for participants in a single-employer plan and that the maximum claim to be treated as secured by this senior, first priority secured statutory lien of an active or vested inactive participant in said pension funds shall be equal to the full benefit accrued by such active or inactive participant; and

(9) feasible and equitable the plan does not unduly impair the claims of holders of bonds that are—

(A) general obligations of the Territory to which the Territory pledged the full faith and credit and the taxing power of the Territory; and

(B) identified in an applicable nonbankruptcy law as having a first claim on available Territory resources.

#### Subtitle E—Additional Provisions

#### SEC. 241. COMPENSATION OF PROFESSIONALS.

(a) After notice to the parties in interest and the United States Trustee and a hearing, the court may award to a professional person employed by the debtor, in the debtor's sole discretion, or employed by a committee under section 1103 of title 11, United States Code—

(1) reasonable compensation for actual, necessary services rendered by the professional person, or attorney and by any paraprofessional person employed by any such person; and

(2) reimbursement for actual, necessary expenses.

(b) The court may, on its own motion or on the motion of any party in interest, award compensation that is less than the amount of compensation that is requested.

(c) In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

(1) the time spent on such services;

(2) the rates charged for such services;

(3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;

(4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;

(5) with respect to a professional person, whether the person is board certified or oth-

erwise has demonstrated skill and experience in the restructuring field; and

(6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

(d) The court shall not allow compensation for—

(1) unnecessary duplication of services; or

(2) services that were not—

(A) reasonably likely to benefit the debtor; or

(B) necessary to the administration of the case.

(e) The court shall reduce the amount of compensation awarded under this section by the amount of any interim compensation awarded under section 242, and, if the amount of such interim compensation exceeds the amount of compensation awarded under this section, may order the return of the excess to the debtor.

(f) Any compensation awarded for the preparation of a fee application shall be based on the level and skill reasonably required to prepare the application.

#### SEC. 242. INTERIM COMPENSATION.

A debtor's attorney, or any professional person employed by the debtor, in the debtor's sole discretion, or employed by a committee under section 1103 of title 11, United States Code, may apply to the court not more than once every 120 days after an order for relief in a case under this title, or more often if the court permits, for such compensation for services rendered before the date of such an application or reimbursement for expenses incurred before such date as is provided under section 241. After notice and a hearing, the court may allow to such applicant such compensation or reimbursement.

#### SEC. 243. APPLICABILITY OF OTHER SECTIONS.

(a) Sections 101, 102, 104, 105, 106, 107, 108, 112, 333, 344, 347(b), 349, 350(b), 351, 361, 362, 364(c), 364(d), 364(e), 364(f), 365, 366, 501, 502, 503, 504, 506, 507(a)(2), 509, 510, 524(a)(1), 524(a)(2), 544, 545, 546, 547, 548, 549(a), 549(c), 549(d), 550, 551, 552, 553, 555, 556, 557, 559, 560, 561, 562, 922, 923, 924, 925, 926, 927, 928, 929, 930, 942, 944, 945, 946, 1102, 1103, 1109, 1111(b), 1113, 1122, 1123(a)(1), 1123(a)(2), 1123(a)(3), 1123(a)(4), 1123(a)(5), 1123(b), 1123(d), 1124, 1125, 1126(a), 1126(b), 1126(c), 1126(e), 1126(f), 1126(g), 1127(d), 1128, 1129(a)(2), 1129(a)(3), 1129(a)(6), 1129(a)(8), 1129(a)(10), 1129(b)(1), 1129(b)(2)(A), 1129(b)(2)(B), 1142(b), 1143, 1144, and 1145 of title 11, United States Code, apply in a case under this title.

(b) A term used in a section of title 11, United States Code, made applicable in a case under this title by subsection (a) has the meaning defined for such term for the purpose of such applicable section, unless such term is otherwise defined in section 201.

(c) A section made applicable in a case under this title by subsection (a) that is operative if the business of the debtor is authorized to be operated is operative in a case under this title.

(d) Solely for purposes of this title, a reference to "this title", "this chapter", or words of similar import in a section of title 11, United States Code, made applicable in a case under this title by subsection (a) or to "this title", "title 11", or words of similar import in a section of title 28, United States Code, made applicable in a case under this title by section 222 or 225 or in the Federal Rules of Bankruptcy Procedure made applicable in a case under this title by section 226 shall be deemed to be a reference to this title.

#### TITLE III—PUERTO RICO CHAPTER 9 UNIFORMITY

#### SEC. 301. SHORT TITLE.

This title may be cited as the "Puerto Rico Chapter 9 Uniformity Act of 2015".

#### SEC. 302. AMENDMENT.

Section 101(52) of title 11, United States Code, is amended to read as follows:

"(52) The term 'State' includes Puerto Rico and, except for the purpose of defining who may be a debtor under chapter 9 of this title, includes the District of Columbia."

#### SEC. 303. EFFECTIVE DATE; APPLICATION OF AMENDMENT.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendment made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENT.—The amendment made by this title shall apply with respect to—

(1) cases commenced under title 11 of the United States Code on or after the date of the enactment of this Act; and

(2) debts, claims, and liens created before, on, or after such date.

#### SEC. 304. SEVERABILITY.

If any provision of this title or any amendment made by this title, or the application of such provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this title and the amendments made by this title, or the application of that provision or amendment to other persons or circumstances, shall not be affected.

**SA 4883.** Mr. MENENDEZ (for himself and Ms. WARREN) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### DIVISION A—PUERTO RICO RECOVERY

#### SECTION 1. SHORT TITLE.

This division may be cited as "Puerto Rico Recovery Act of 2016".

#### SEC. 2. TABLE OF CONTENTS.

The table of contents for this division is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

#### TITLE I—TAX PROVISIONS

Sec. 101. Puerto Rico residents eligible for earned income tax credit.

Sec. 102. Equitable treatment for residents of Puerto Rico with respect to the refundable portion of the child tax credit.

#### TITLE II—HEALTH CARE PARITY

##### Subtitle A—Medicaid

Sec. 201. Elimination of general Medicaid funding limitations ("cap") for territories.

Sec. 202. Elimination of specific Federal medical assistance percentage (FMAP) limitation for territories.

Sec. 203. Application of Medicaid waiver authority to all of the territories.

Sec. 204. Application of 100 percent Federal poverty line (FPL) limitation to territories.

Sec. 205. Permitting Medicaid DSH allotments for territories.

##### Subtitle B—Medicare

Sec. 211. Calculation of Medicare DSH payments for IPPS hospitals in Puerto Rico.

Sec. 212. Application of part B deemed enrollment process to residents of Puerto Rico; special enrollment period and limit on late enrollment penalties.

- Sec. 213. Puerto Rico practice expense GPCI improvement.
- Sec. 214. Adjustment in benchmark for low base payment counties in Puerto Rico.
- Sec. 215. Eliminating exclusion of part D eligible individuals residing in territories from eligibility for premium and cost-sharing subsidies.
- Sec. 216. Report on treatment of territories under Medicare part D.

#### Subtitle C—Miscellaneous

- Sec. 221. Report on exclusion of territories from Exchanges.

### TITLE I—TAX PROVISIONS

#### SEC. 101. PUERTO RICO RESIDENTS ELIGIBLE FOR EARNED INCOME TAX CREDIT.

(a) IN GENERAL.—Section 32 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(n) RESIDENTS OF PUERTO RICO.—

“(1) IN GENERAL.—In the case of residents of Puerto Rico—

“(A) the United States shall be treated as including Puerto Rico for purposes of subsections (c)(1)(A)(ii)(I) and (c)(3)(C),

“(B) subsection (c)(1)(D) shall not apply to nonresident alien individuals who are residents of Puerto Rico, and

“(C) adjusted gross income and gross income shall be computed without regard to section 933 for purposes of subsections (a)(2)(B) and (c)(2)(A)(i).

“(2) LIMITATION.—The credit allowed under this section by reason of this subsection for any taxable year shall not exceed the amount, determined under regulations or other guidance promulgated by the Secretary, that a similarly situated taxpayer would receive if residing in a State.”.

(b) CHILD TAX CREDIT NOT REDUCED.—Subclause (II) of section 24(d)(1)(B)(ii) of such Code is amended by inserting before the period “(determined without regard to section 32(n) in the case of residents of Puerto Rico)”.

(c) EFFECTIVE DATE.—The amendment made shall apply to taxable years beginning after December 31, 2015.

#### SEC. 102. EQUITABLE TREATMENT FOR RESIDENTS OF PUERTO RICO WITH RESPECT TO THE REFUNDABLE PORTION OF THE CHILD TAX CREDIT.

(a) IN GENERAL.—Section 24(d)(1) of the Internal Revenue Code of 1986 is amended by inserting “or section 933” after “section 112”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2015.

### TITLE II—HEALTH CARE PARITY

#### Subtitle A—Medicaid

#### SEC. 201. ELIMINATION OF GENERAL MEDICAID FUNDING LIMITATIONS (“CAP”) FOR TERRITORIES.

(a) IN GENERAL.—Section 1108 of the Social Security Act (42 U.S.C. 1308) is amended—

(1) in subsection (f), in the matter before paragraph (1), by striking “subsection (g)” and inserting “subsections (g) and (h)”;

(2) in subsection (g)(2), in the matter before subparagraph (A), by inserting “and subsection (h)” after “paragraphs (3) and (5)”; and

(3) by adding at the end the following new subsection:

“(h) SUNSET OF MEDICAID FUNDING LIMITATIONS FOR PUERTO RICO, THE VIRGIN ISLANDS OF THE UNITED STATES, GUAM, THE NORTHERN MARIANA ISLANDS, AND AMERICAN SAMOA.—Subsections (f) and (g) shall not apply to Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa beginning with fiscal year 2017.”.

#### (b) CONFORMING AMENDMENTS.—

(1) Section 1902(j) of the Social Security Act (42 U.S.C. 1396a(j)) is amended by striking “, the limitation in section 1108(f),”.

(2) Section 1903(u) of the Social Security Act (42 U.S.C. 1396b(u)) is amended by striking paragraph (4).

(3) Section 1323(c)(1) of the Patient Protection and Affordable Care Act (42 U.S.C. 18043(c)(1)) is amended by striking “2019” and inserting “2016”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply beginning with fiscal year 2017.

#### SEC. 202. ELIMINATION OF SPECIFIC FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) LIMITATION FOR TERRITORIES.

Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (b)(2), by inserting “for fiscal years before fiscal year 2017” after “American Samoa”; and

(2) in subsection (y)(1), in the matter preceding subparagraph (A)—

(A) by inserting “, for fiscal years before fiscal year 2017,” before “is one of the”; and

(B) by inserting “and, for fiscal year 2017 and subsequent fiscal years, is one of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or American Samoa,” after “the District of Columbia”.

#### SEC. 203. APPLICATION OF MEDICAID WAIVER AUTHORITY TO ALL OF THE TERRITORIES.

(a) IN GENERAL.—Section 1902(j) of the Social Security Act (42 U.S.C. 1396a(j)) is amended—

(1) by striking “American Samoa and the Northern Mariana Islands” and inserting “Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa”; and

(2) by striking “American Samoa or the Northern Mariana Islands” and inserting “Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or American Samoa”; and

(3) by inserting “(1)” after “(j)”; and

(4) by inserting “except as otherwise provided in this subsection,” after “Notwithstanding any other requirement of this title”; and

(5) by adding at the end the following:

“(2) The Secretary may not waive under this subsection the requirement of subsection (a)(10)(A)(i)(IX) (relating to coverage of adults formerly under foster care) with respect to any territory.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply beginning October 1, 2016.

#### SEC. 204. APPLICATION OF 100 PERCENT FEDERAL POVERTY LINE (FPL) LIMITATION TO TERRITORIES.

(a) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) in subsection (a)(10)(A)(i)(VIII), by inserting “(or, subject to subsection (j), 100 percent in the case of Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa)” after “133 percent”; and

(2) in subsection (j), as amended by section 203, by adding at the end the following new paragraph:

“(3)(A) Subject to subparagraph (B), Federal financial participation shall not be available to Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or American Samoa for medical assistance for an individual whose family income exceeds 100 percent of the official poverty line for a family of the size involved, except in the case of individuals qualifying for medical assistance under subsection (a)(10)(A)(i)(IX).

“(B) The Secretary may, under paragraph (1) or section 1115, waive the limitation under subparagraph (A) in the case of a territory other than Puerto Rico. In carrying out this subparagraph, the Secretary shall take into account the eligibility levels established under the State plan of the territory involved before the date of the enactment of this paragraph.”.

(b) NOT APPLYING 5 PERCENT DISREGARD.—Section 1902(e)(14)(I) of the Social Security Act (42 U.S.C. 1396b(e)(14)(I)) is amended by adding at the end the following:

“The previous sentence shall only apply to a State that is one of the 50 States or the District of Columbia.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to eligibility determinations made with respect to items and services furnished on or after October 1, 2016.

#### SEC. 205. PERMITTING MEDICAID DSH ALLOTMENTS FOR TERRITORIES.

Section 1923(f) of the Social Security Act (42 U.S.C. 1396) is amended—

(1) in paragraph (6), by adding at the end the following new subparagraph:

“(C) TERRITORIES.—

“(i) FISCAL YEAR 2017.—For fiscal year 2017, with respect to the territories of Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa, the DSH allotment determined for each such territory shall bear the same ratio to \$150,000,000 as the ratio of the number of individuals who are low-income or uninsured and residing in each such respective territory (as estimated from time to time by the Secretary) bears to the sums of the number of such individuals residing in all of the territories.

“(ii) SUBSEQUENT FISCAL YEAR.—For each subsequent fiscal year, the DSH allotment for each such territory is subject to an increase or reduction in accordance with paragraphs (3) and (7).”.

(2) in paragraph (7)(A), by striking clause (iv) and redesignating clause (v) as clause (iv); and

(3) in paragraph (9), by inserting before the period at the end the following: “, and includes, beginning with fiscal year 2017, Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa”.

#### Subtitle B—Medicare

#### SEC. 211. CALCULATION OF MEDICARE DSH PAYMENTS FOR IPPS HOSPITALS IN PUERTO RICO.

Section 1886(d)(9)(D)(iii) of the Social Security Act (42 U.S.C. 1395ww(d)(9)(D)(iii)) is amended to read as follows:

“(iii) Subparagraph (F) (relating to disproportionate share payments), including application of subsection (r), except that for this purpose—

“(I) the sum described in clause (ii) of this subparagraph shall be substituted for the sum referred to in paragraph (5)(F)(ii)(I); and

“(II) for discharges occurring on or after October 1, 2015, subclause (I) of paragraph (5)(F)(vi) shall be applied by substituting for the numerator described in such subclause the number of subsection (d) Puerto Rico hospital’s patient days for the cost reporting period involved which were made up of patients who (for such days) were entitled to benefits under part A of this title and were—

“(aa) entitled to supplementary security income benefits (excluding any State supplementation) under title XVI of this Act;

“(bb) eligible for medical assistance under a State plan under title XIX; or

“(cc) receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI.”.

**SEC. 212. APPLICATION OF PART B DEEMED ENROLLMENT PROCESS TO RESIDENTS OF PUERTO RICO; SPECIAL ENROLLMENT PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES.**

(a) APPLICATION OF PART B DEEMED ENROLLMENT PROCESS TO RESIDENTS OF PUERTO RICO.—Section 1837(f)(3) of the Social Security Act (42 U.S.C. 1395p(f)(3)) is amended by striking “, exclusive of Puerto Rico”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals whose initial enrollment period under section 1837(d) of the Social Security Act begins on or after the first day of the effective month, specified by the Secretary of Health and Human Services under section 1839(j)(1)(C) of such Act, as added by subsection (c)(2).

(c) TRANSITION PROVIDING SPECIAL ENROLLMENT PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES FOR CERTAIN MEDICARE BENEFICIARIES.—Section 1839 of the Social Security Act (42 U.S.C. 1395r) is amended—

(1) in the first sentence of subsection (b), by inserting “subject to section 1839(j)(2),” after “subsection (i)(4) or (l) of section 1837,”; and

(2) by adding at the end the following new subsection:

“(j) SPECIAL RULES FOR CERTAIN RESIDENTS OF PUERTO RICO.—

“(1) SPECIAL ENROLLMENT PERIOD, COVERAGE PERIOD FOR RESIDENTS WHO ARE ELIGIBLE BUT NOT ENROLLED.—

“(A) IN GENERAL.—In the case of a transition individual (as defined in paragraph (3)) who is not enrolled under this part as of the day before the first day of the effective month (as defined in subparagraph (C)), the Secretary shall provide for a special enrollment period under section 1837 of 7 months beginning with such effective month during which the individual may be enrolled under this part.

“(B) COVERAGE PERIOD.—In the case of such an individual who enrolls during such special enrollment period, the coverage period under section 1838 shall begin on the first day of the second month after the month in which the individual enrolls.

“(C) EFFECTIVE MONTH DEFINED.—In this section, the term ‘effective month’ means a month, not earlier than October 2016 and not later than January 2017, specified by the Secretary.

“(2) REDUCTION IN LATE ENROLLMENT PENALTIES FOR CURRENT ENROLLEES AND INDIVIDUALS ENROLLING DURING TRANSITION.—

“(A) IN GENERAL.—In the case of a transition individual who is enrolled under this part as of the day before the first day of the effective month or who enrolls under this part on or after the date of the enactment of this subsection but before the end of the special enrollment period under paragraph (1)(A), the amount of the late enrollment penalty imposed under section 1839(b) shall be recalculated by reducing the penalty to 15 percent of the penalty otherwise established.

“(B) APPLICATION.—Subparagraph (A) shall be applied in the case of a transition individual who—

“(i) is enrolled under this part as of the month before the effective month, for premiums for months beginning with such effective month; or

“(ii) enrolls under this part on or after the date of the enactment of this Act and before the end of the special enrollment period under paragraph (1)(A), for premiums for months during the coverage period under this part which occur during or after the effective month.

“(C) LOSS OF REDUCTION IF INDIVIDUAL TERMINATES ENROLLMENT.—Subparagraph (A) shall not apply to a transition individual if the individual terminates enrollment under

this part after the end of the special enrollment period under paragraph (1).

“(3) TRANSITION INDIVIDUAL DEFINED.—In this section, the term ‘transition individual’ means an individual who resides in Puerto Rico and who would have been deemed enrolled under this part pursuant to section 1837(f) before the first day of the effective month but for the fact that the individual was a resident of Puerto Rico, regardless of whether the individual is enrolled under this part as of such first day.”.

**SEC. 213. PUERTO RICO PRACTICE EXPENSE GPCI IMPROVEMENT.**

Section 1848(e)(1) of the Social Security Act (42 U.S.C. 1395w-4(e)(1)) is amended—

(1) in subparagraph (A), by striking “and (I)” and inserting “(I), and (J)”;

(2) by adding at the end the following new subparagraph:

“(J) FLOOR FOR PRACTICE EXPENSE INDEX FOR SERVICES FURNISHED IN PUERTO RICO.—

“(i) IN GENERAL.—For purposes of payment for services furnished in Puerto Rico in a year (beginning with 2016), after calculating the practice expense index in subparagraph (A)(i) for Puerto Rico, if such index is below the reference index (as defined in clause (ii)) for the year, the Secretary shall increase such index for Puerto Rico to equal the value of the reference index for the year. The preceding sentence shall not be applied in a budget neutral manner.

“(ii) REFERENCE INDEX DEFINED.—In this subparagraph, the term ‘reference index’ means, with respect to a year, 0.800 or, if less, the lowest practice expense index value for the year for any area in the 50 States or the District of Columbia.”.

**SEC. 214. ADJUSTMENT IN BENCHMARK FOR LOW BASE PAYMENT COUNTIES IN PUERTO RICO.**

Section 1853(n) of the Social Security Act (42 U.S.C. 1395w-23(n)) is amended—

(1) in paragraph (1), by striking “and (5)” and inserting “, (5), and (6)”;

(2) in paragraph (4), by striking “In no case” and inserting “Subject to paragraph (6), in no case”;

(3) by adding at the end the following new paragraph:

“(6) SPECIAL RULES FOR BLENDED BENCHMARK AMOUNT FOR TERRITORIES.—

“(A) IN GENERAL.—Subject to paragraph (2), the blended benchmark amount for an area in a territory for a year (beginning with 2016) shall not be less than 80 percent of the national average of the base payment amounts specified in subparagraph (2)(E) for such year for areas within the 50 States and the District of Columbia.

“(B) LIMITATION.—In no case shall the blended benchmark amount for an area in a territory for a year under subparagraph (A) exceed the lowest blended benchmark amount for any area within the 50 States and the District of Columbia for such year.”.

**SEC. 215. ELIMINATING EXCLUSION OF PART D ELIGIBLE INDIVIDUALS RESIDING IN TERRITORIES FROM ELIGIBILITY FOR PREMIUM AND COST-SHARING SUBSIDIES.**

(a) IN GENERAL.—Section 1860D-14(a)(3) of the Social Security Act (42 U.S.C. 1395w-114(a)(3)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i), by striking “subject to subparagraph (F),”;

(2) in subparagraph (B)(v), in the matter preceding subclause (I), by striking “Subject to subparagraph (F), the Secretary” and inserting “The Secretary”;

(3) in subparagraph (C), by adding at the end the following new sentence: “In the case of an individual who is not a resident of the 50 States or the District of Columbia, the poverty line (as such term is defined in clause (ii)) that shall apply to such indi-

vidual shall be the poverty line for the 48 contiguous States and the District of Columbia.”; and

(4) by striking subparagraph (F).

(b) APPLICATION OF MEDICAID PROVISIONS.—Section 1935 of the Social Security Act (42 U.S.C. 1396u-5) is amended—

(1) in subsection (a), by striking “subject to subsection (e)” in the matter preceding paragraph (1); and

(2) by striking subsection (e).

(c) CONFORMING AMENDMENT.—Section 1108(f) of the Social Security Act (42 U.S.C. 1308(f)) is amended by striking “and section 1935(e)(1)(B)” in the matter preceding clause (i).

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2017.

**SEC. 216. REPORT ON TREATMENT OF TERRITORIES UNDER MEDICARE PART D.**

Paragraph (4) of section 1935(e) of the Social Security Act (42 U.S.C. 1396u-5(e)) is amended to read as follows:

“(4) REPORT ON APPLICATION OF SUBSECTION.—

“(A) IN GENERAL.—Not later than May 1, 2018, the Secretary shall submit to Congress a report on the application of this subsection during the period beginning with fiscal year 2006 and ending with December 31, 2017.

“(B) INFORMATION TO BE INCLUDED IN REPORT.—Such report shall include—

“(i) program guidance issued by the Secretary to implement this subsection;

“(ii) for each of Puerto Rico, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa, information on the increased amount under paragraph (3) and how the territory has applied such amount, including the territory’s program design, expenditures, and number of individuals (and dual-eligible individuals) assisted; and

“(iii) a description of the differences between how such territories are treated under part D of title XVIII and under this title compared with the treatment of the 50 States and the District of Columbia under such part and this title for different fiscal years within the period covered under the report.

“(C) RECOMMENDATIONS.—Such report shall include recommendations for improving prescription drug coverage for low-income individuals in each territory identified in subparagraph (B)(ii), including recommendations regarding each of the following alternative approaches:

“(i) Adjusting the aggregate amount specified in paragraph (3)(B).

“(ii) Allowing residents of the territories to be subsidy eligible individuals under section 1860D-14, notwithstanding subsection (a)(3)(F) of such section, or providing substantially equivalent low-income prescription drug subsidies to such residents.”.

**Subtitle C—Miscellaneous**

**SEC. 221. REPORT ON EXCLUSION OF TERRITORIES FROM EXCHANGES.**

(a) IN GENERAL.—Not later than February 1, 2018, the Secretary of Health and Human Services shall submit to Congress a report that details the adverse impacts in each territory from the practical exclusion of the territories from the provisions of part II of subtitle D of title I of the Patient Protection and Affordable Care Act insofar as such provisions provide for the establishment of an American Health Benefit Exchange or the administration of a federally facilitated Exchange in each State and in the District of Columbia for the purpose of making health insurance more affordable and accessible for individuals and small businesses.

(b) INFORMATION IN REPORT.—The report shall include information on the following:

(1) An estimate of the total number of uninsured and underinsured individuals residing in each territory with respect to health insurance coverage.

(2) A description of the number of health insurance issuers in each territory and the health insurance plans these issuers offer.

(3) An estimate of the number of individuals residing in each territory who are denied premium and cost-sharing assistance that would otherwise be available to them for obtaining health insurance coverage through an Exchange if they resided in one of the 50 States or in the District of Columbia.

(4) An estimate of the amount of Federal assistance described in paragraph (3) that is not being made available to residents of each territory.

(5) An estimate of the number of small employers in each territory that would be eligible to purchase health insurance coverage through a Small Business Health Options Program (SHOP) Marketplace that would operate as part of an Exchange if the employers were in one of the 50 States or in the District of Columbia.

**SA 4884.** Mr. MENENDEZ (for himself and Ms. WARREN) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 95 strike line 13 and all that follows through page 97, line 17, and insert the following:

**SEC. 403. APPLICATION OF REGULATION TO PUERTO RICO.**

It is the sense of Congress

**SA 4885.** Mr. MENENDEZ (for himself and Mr. BOOKER) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, line 22, insert “1113,” after “1111(b).”

**SA 4886.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 91, between lines 17 and 18, insert the following:

(c) **CERTIFICATION.**—The Oversight Board may not take any action described in subsection (a) unless the Governor submits to the Oversight Board a certification that the Governor has determined that such action is necessary to prosecute the case of the debtor.

**SA 4887.** Mr. MENENDEZ (for himself and Mr. BOOKER) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 87, between lines 17 and 18, insert the following:

(c) A district court judge designated to conduct a case under subsection (a) may cer-

tify to a bankruptcy court any question of law related to the case.

**SA 4888.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of section 308, add the following:

(c) Notwithstanding any other provision of law, the race, sex, national origin, or religion of a district court judge designated to conduct a case under this section may not serve as the sole basis for requiring the recusal of that district court judge.

**SA 4889.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 88, strike line 20 and all that follows through page 89, line 2, and insert the following:

(c) **VOTE.**—An affirmative vote of 5 of the members of the Oversight Board shall be required to file a plan of adjustment under this section.

**SEC. 313. MODIFICATION OF PLAN.**

The Oversight Board, after the issuance of a certification pursuant to section 104(j) of this Act, may, upon an affirmative vote of 5 of the members of the Oversight Board, modify the plan at any time before confirmation, but may not modify the plan so that the plan as modified fails to meet the requirements of this title. After the Oversight Board files a modification, the plan as modified becomes the plan.

**SA 4890.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

In section 206, strike subsection (b) and insert the following:

(b) **ISSUANCE OF RESTRUCTURING CERTIFICATION.**—The Oversight Board shall issue a restructuring certification for an entity only after the Oversight Board determines that the requirements of subsection (a) have been met with respect to the entity, which shall satisfy the requirement established under section 302(2).

**SA 4891.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 39, strike line 19 and all that follows through page 40, line 9, and insert the following:

the Oversight Board deems necessary; and

(M) ensure that assets, funds, or resources of a territorial instrumentality are not loaned to, transferred to, or otherwise used for the benefit of a covered territory or another covered territorial instrumentality of a covered territory, unless permitted by the constitution of the territory, an approved plan of adjustment under title III, or a Qualifying Modification approved under title VI.

**SA 4892.** Mr. MENENDEZ (for himself and Mr. BOOKER) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, strike lines 21 and 22 and insert the following:

(B) ensure the funding of essential public services at a level that increases the safety, health, and standard of living of the covered territory;

**SA 4893.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 40, strike line 9 and insert the following:

Act; and

(O) reduce factors that lead to economic migration out of the covered territory.

**SA 4894.** Mr. MENENDEZ (for himself and Mr. BOOKER) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, lines 23 and 24, strike “for public pension systems” and insert “to eliminate funding deficits for current and future public pension obligations”.

**SA 4895.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, strike lines 23 and 24 and insert the following:

(C) provide funding for public pension systems at a level necessary to prevent an increase in poverty among current and future senior citizen retirees in the covered territory;

**SA 4896.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 71, strike line 19 and all that follows page 72, line 21.

**SA 4897.** Mr. MENENDEZ (for himself and Mr. BOOKER) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

In section 101, strike subsection (e) and insert the following:

(e) **MEMBERSHIP.**—

(1) **NUMBER; CATEGORIES.**—

(A) **NUMBER OF MEMBERS.**—The Oversight Board shall consist of 9 members appointed by the President who meet the qualifications described in subsection (f) and section 109(a).

(B) CATEGORIES.—The Board shall be comprised of—

- (i) 1 Category A member;
- (ii) 1 Category B member;
- (iii) 2 Category C members;
- (iv) 1 Category D member;
- (v) 1 Category E member;
- (vi) 2 Category F members; and
- (vii) 1 Category G member.

(2) APPOINTED MEMBERS.—

(A) APPOINTMENT.—The President shall appoint the individual members of the Oversight Board, of which—

(i) the Category A member should be selected from a list of individuals submitted by the Speaker of the House of Representatives;

(ii) the Category B member should be selected from a separate list of individuals submitted by the Speaker of the House of Representatives;

(iii) the Category C members should be selected from a list submitted by the majority leader of the Senate;

(iv) the Category D member should be selected from a list submitted by the minority leader of the House of Representatives;

(v) the Category E member should be selected from a list submitted by the minority leader of the Senate;

(vi) the Category F members should be selected from a list submitted by the Governor and approved by the Legislature; and

(vii) the Category G member may be selected in the sole discretion of the President.

(B) SUBMISSION OF LIST.—After the selection of the Category G Board member by the President under subparagraph (A)(vii), for purposes of subparagraph (A) and within a timely manner—

(i) the Speaker of the House of Representatives shall submit to the President 2 non-overlapping lists of at least 3 individuals, of which 1 list shall include 3 individuals who—

(I) maintain a primary residence in the territory; or

(II) have a primary place of business in the territory;

(ii) the majority leader of the Senate shall submit to the President a list of at least 4 individuals;

(iii) the minority leader of the House of Representatives shall submit to the President a list of at least 3 individuals;

(iv) the minority leader of the Senate shall submit to the President a list of at least 3 individuals; and

(v) the Governor shall submit to the President a list of at least 4 individuals.

(C) ADDITIONAL NAMES.—If the President does not select any of the individuals from a list submitted under subparagraph (B), the official that submitted the list may supplement the lists submitted under that subparagraph with the names of additional individuals.

(D) REQUIREMENT FOR CATEGORY A MEMBER.—The Category A member shall—

(i) maintain a primary residence in the territory; or

(ii) have a primary place of business in the territory.

(E) SENATE CONFIRMATION.—With respect to the appointment of an Oversight Board member in Category A, B, C, D, E, or F—

(i) the appointment shall be by and with the advice and consent of the Senate; or

(ii) if the President appoints an individual from a list of individuals in accordance with this subsection, no Senate confirmation shall be required.

(F) VACANCY.—In the event of a vacancy of a Category A, B, C, D, E, or F Oversight Board member, the official responsible for submitting a list of individuals for that category under subparagraph (B) shall submit a list in accordance with this subsection within a timely manner of the date on which res-

ignation or removal of the Oversight Board member becomes effective.

(G) DEADLINE FOR PUERTO RICO.—With respect to an Oversight Board for Puerto Rico, if any of the 9 members have not been appointed by September 30, 2016, the President shall appoint an individual from the list for the vacant category by December 1, 2016, if the list includes at least 2 individuals per vacancy who—

(i) meet the requirements under subsection (f) and section 109; and

(ii) are willing to serve.

**SA 4898.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

In section 101, strike subsection (f) and insert the following:

(f) ELIGIBILITY FOR APPOINTMENTS.—An individual is eligible for appointment as a member of the Oversight Board only if the individual—

(1) maintains a primary residence in the territory;

(2) has knowledge and expertise in finance, municipal bond markets, management, law, or the organization or operation of business or government; and

(3) prior to appointment, is not an officer, elected official, or employee of the territorial government, a candidate for elected office of the territorial government, or a former elected official of the territorial government.

**SA 4899.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 18, strike lines 15 through 20 and insert the following: organization or operation of business or government;

(2) prior to appointment, an individual is not an officer, elected official, or employee of the territorial government, a candidate for elected office of the territorial government, or a former elected official of the territorial government; and

(3) maintains a primary residence in the applicable covered territory if the Oversight Board contains more than 3 members who do not maintain a primary residence in the applicable covered territory.

**SA 4900.** Mr. MENENDEZ (for himself and Mr. BOOKER) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 27, strike lines 11 through 19.

**SA 4901.** Mr. MENENDEZ (for himself and Mr. BOOKER) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 37, strike line 16 and all that follows through page 43, line 12, and insert the following:

## SEC. 201. DEVELOPMENT AND APPROVAL OF FISCAL PLANS.

(a) IN GENERAL.—Not later than the date that is 60 days before the date on which the Governor of an applicable covered territory is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the upcoming fiscal year, the Governor, in consultation with the Chief Financial Officer, shall develop and submit to the Board and applicable territorial government a Fiscal Plan for the applicable territorial government in accordance with this section.

(b) INITIAL FISCAL PLAN.—The Governor of an applicable covered territory in consultation with the Chief Financial Officer shall develop an initial Fiscal Plan in accordance with subsection (a) within 90 days of the Governor of the applicable covered territory signing a resolution adopted by the legislature of the territory to request the establishment of a Fiscal Stability and Reform Board under this subtitle, or not later than the date that is 60 days before the date on which the Governor of the applicable covered territory is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the upcoming fiscal year, whichever comes chronologically first.

(c) REQUIREMENTS.—

(1) IN GENERAL.—A Fiscal Plan shall, to the maximum extent practicable, with respect to the applicable territorial government—

(A) provide for estimates of revenues and expenditures in accordance with modified accrual accounting standards and based on—

(i) applicable laws; or

(ii) specific laws that require enactment in order to reasonably achieve the projections of the Fiscal Plan;

(B) ensure the funding of essential public services;

(C) provide full funding to cover all existing public pension obligations;

(D) provide for the elimination of budget gaps in financing;

(E) provide for a reduction in the debt burden to a level that is sustainable;

(F) improve fiscal governance;

(G) enable the achievement of fiscal targets;

(H) create independent forecasts of revenue for the period covered by the Fiscal Plan; and

(I) not impede investments to promote sustained economic growth.

(2) TERM.—A Fiscal Plan shall be in effect for a period of not less than 5 years.

(3) TRANSPARENCY.—A Fiscal Plan shall be made publicly available no less than 15 days after final approval as specified within subsection (d).

(d) APPROVAL BY BOARD.—

(1) REQUIREMENT.—The Governor of a covered territory shall not submit to the legislature of the applicable covered territory an annual budget for a fiscal year unless the Fiscal Plan has been approved for that fiscal year in accordance with this subsection.

(2) APPROVAL.—Not later than the date that is 15 days after the date on which the Governor submits a Fiscal Plan to the Board under subsection (a), the Board shall—

(A) certify the Fiscal Plan; or

(B) fail to certify the Fiscal Plan and provide to the Governor recommendations for revisions to the Fiscal Plan.

(3) REVISED FISCAL PLAN.—

(A) IN GENERAL.—Not later than the date that is 15 days after the date on which the Board submits recommendations to the Governor under paragraph (2)(B), the Governor shall submit to the Board a revised Fiscal Plan.

(B) APPROVAL; DISAPPROVAL.—Not later than the date that is 7 days after the date on



which the Governor submits to the Board a revised Fiscal Plan under subparagraph (A), the Board shall—

- (i) certify the revised Fiscal Plan; or
  - (ii) disapprove the revised Fiscal Plan.
- (4) **DEVELOPMENT BY BOARD.**—If the Governor of a covered territory fails to submit to the Board a revised Fiscal Plan on or before the date specified in paragraph (3)(A), the Board shall develop and submit to the Governor a final revised Fiscal Plan not later than the date that is 22 days after the date on which recommendations are provided to the Governor under paragraph (2)(B).

**SA 4902.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 43, strike line 13 and all that follows through page 50, line 6, and insert the following:

**SEC. 202. REVIEW OF BUDGETS.**

(a) **BUDGET PROPOSED BY GOVERNOR.**—

(1) **SUBMISSION TO BOARD.**—The Governor of the applicable covered territory shall submit to the Board for review a proposed budget for each fiscal year by not later than the earlier of—

(A) the date that is 120 days before the first day of the fiscal year covered by the proposed budget; and

(B) the date that is 60 days before the date by which the Governor is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the applicable fiscal year.

(2) **DETERMINATION OF COMPLIANT BUDGET.**—Not later than the date that is 15 days after the date on which a Board receives a proposed budget under paragraph (1), the Board shall—

(A) determine whether the proposed budget is a compliant budget; and

(B)(i) if the proposed budget is a compliant budget—

(I) approve the compliant budget; and

(II) submit the compliant budget to the legislature of the applicable covered territory; or

(ii) if the proposed budget is not a compliant budget, provide to the Governor of the applicable covered territory—

(I) a notice of violation that includes a description of any corrective action suggested by the Board; and

(II) an opportunity to correct the violation by requiring the Governor to submit to the Board a revised budget by not later than the date that is 15 days after the date on which the notice of violation under subclause (I) is provided.

(3) **REVISED BUDGETS.**—Not later than the date that is 7 days after the date on which the Board receives a revised budget under paragraph (2)(B)(ii)(II), the Board shall—

(A) determine whether the revised budget is a compliant budget; and

(B)(i) if the revised budget is a compliant budget—

(I) approve the compliant budget; and

(II) submit the compliant budget to the legislature of the applicable covered territory; or

(ii) if the revised budget is not a compliant budget—

(I) issue a notice of noncompliance;

(II) publicly submit recommendations of the Board for adjustments that should be made to ensure the adopted budget of the territorial government for the applicable fiscal year is a compliant budget;

(III) submit the noncompliant budget to the legislature of the applicable covered ter-

ritory with recommendations of the Board for adjustments that should be made to ensure the adopted budget of the territorial government for the applicable fiscal year is a compliant budget; and

(IV) issue a directive that the legislature shall strive to adopt the Board's recommendations in the budget of the territorial government for the applicable fiscal year.

(b) **BUDGET APPROVAL BY LEGISLATURE.**—

(1) **IN GENERAL.**—The legislature of the applicable covered territory shall submit to the Board the budget adopted by the legislature not later than—

(A) the date that is 30 days before the first day of each applicable fiscal year; or

(B) the date previously approved in writing by the Board not to exceed 60 days after the first day of the applicable fiscal year, if a date was approved in writing.

(2) **DETERMINATION BY BOARD.**—Not later than the date that is 7 days after the date on which the Board receives an adopted budget submitted under paragraph (1), the Board shall—

(A) determine whether the adopted budget is a compliant budget; and

(B)(i) if the adopted budget is a compliant budget, issue a compliance certification for the compliant budget; or

(ii) if the budget is not a compliant budget—

(I) issue a certificate of noncompliance;

(II) publicly submit recommendations of the Board for adjustments that should be made to the budget of the territorial government for the upcoming fiscal year to ensure the revenues and expenditures are consistent with the Fiscal Plan;

(III) provide to the Governor and legislature of the applicable covered territory a certificate of noncompliance that includes a description of any recommendations of the Board for adjustments that should be made to the budget of the territorial government for the upcoming fiscal year to ensure the revenues and expenditures are consistent with the Fiscal Plan; and

(IV) issue a directive that the Governor and the legislature shall strive to adopt the Board's recommendations in the budget of the territorial government for the upcoming fiscal year.

**SA 4903.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 37, strike 16 and all that follows through page 63, line 5.

**SEC. 201. DEVELOPMENT AND APPROVAL OF FISCAL PLANS.**

(a) **IN GENERAL.**—Not later than the date that is 60 days before the date on which the Governor of an applicable covered territory is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the upcoming fiscal year, the Governor, in consultation with the Chief Financial Officer, shall develop and submit to the Board and applicable territorial government a Fiscal Plan for the applicable territorial government in accordance with this section.

(b) **INITIAL FISCAL PLAN.**—The Governor of an applicable covered territory in consultation with the Chief Financial Officer shall develop an initial Fiscal Plan in accordance with subsection (a) within 90 days of the Governor of the applicable covered territory signing a resolution adopted by the legislature of the territory to request the establishment of a Fiscal Stability and Reform Board

under this subtitle, or not later than the date that is 60 days before the date on which the Governor of the applicable covered territory is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the upcoming fiscal year, whichever comes chronologically first.

(c) **REQUIREMENTS.**—

(1) **IN GENERAL.**—A Fiscal Plan shall, to the maximum extent practicable, with respect to the applicable territorial government—

(A) provide for estimates of revenues and expenditures in accordance with modified accrual accounting standards and based on—

(i) applicable laws; or

(ii) specific laws that require enactment in order to reasonably achieve the projections of the Fiscal Plan;

(B) ensure the funding of essential public services;

(C) provide full funding to cover all existing public pension obligations;

(D) provide for the elimination of budget gaps in financing;

(E) provide for a reduction in the debt burden to a level that is sustainable;

(F) improve fiscal governance;

(G) enable the achievement of fiscal targets;

(H) create independent forecasts of revenue for the period covered by the Fiscal Plan; and

(I) not impede investments to promote sustained economic growth.

(2) **TERM.**—A Fiscal Plan shall be in effect for a period of not less than 5 years.

(3) **TRANSPARENCY.**—A Fiscal Plan shall be made publicly available no less than 15 days after final approval as specified within subsection (d).

(d) **APPROVAL BY BOARD.**—

(1) **REQUIREMENT.**—The Governor of a covered territory shall not submit to the legislature of the applicable covered territory an annual budget for a fiscal year unless the Fiscal Plan has been approved for that fiscal year in accordance with this subsection.

(2) **APPROVAL.**—Not later than the date that is 15 days after the date on which the Governor submits a Fiscal Plan to the Board under subsection (a), the Board shall—

(A) certify the Fiscal Plan; or

(B) fail to certify the Fiscal Plan and provide to the Governor recommendations for revisions to the Fiscal Plan.

(3) **REVISED FISCAL PLAN.**—

(A) **IN GENERAL.**—Not later than the date that is 15 days after the date on which the Board submits recommendations to the Governor under paragraph (2)(B), the Governor shall submit to the Board a revised Fiscal Plan.

(B) **APPROVAL; DISAPPROVAL.**—Not later than the date that is 7 days after the date on which the Governor submits to the Board a revised Fiscal Plan under subparagraph (A), the Board shall—

(i) certify the revised Fiscal Plan; or

(ii) disapprove the revised Fiscal Plan.

(4) **DEVELOPMENT BY BOARD.**—If the Governor of a covered territory fails to submit to the Board a revised Fiscal Plan on or before the date specified in paragraph (3)(A), the Board shall develop and submit to the Governor a final revised Fiscal Plan not later than the date that is 22 days after the date on which recommendations are provided to the Governor under paragraph (2)(B).

**SEC. 202. REVIEW OF BUDGETS.**

(a) **BUDGET PROPOSED BY GOVERNOR.**—

(1) **SUBMISSION TO BOARD.**—The Governor of the applicable covered territory shall submit to the Board for review a proposed budget for each fiscal year by not later than the earlier of—

(A) the date that is 120 days before the first day of the fiscal year covered by the proposed budget; and

(B) the date that is 60 days before the date by which the Governor is required under applicable law to submit to the legislature of the applicable covered territory a proposed budget for the applicable fiscal year.

(2) DETERMINATION OF COMPLIANT BUDGET.—Not later than the date that is 15 days after the date on which a Board receives a proposed budget under paragraph (1), the Board shall—

(A) determine whether the proposed budget is a compliant budget; and

(B)(i) if the proposed budget is a compliant budget—

(I) approve the compliant budget; and

(II) submit the compliant budget to the legislature of the applicable covered territory; or

(ii) if the proposed budget is not a compliant budget, provide to the Governor of the applicable covered territory—

(I) a notice of violation that includes a description of any corrective action suggested by the Board; and

(II) an opportunity to correct the violation by requiring the Governor to submit to the Board a revised budget by not later than the date that is 15 days after the date on which the notice of violation under subclause (I) is provided.

(3) REVISED BUDGETS.—Not later than the date that is 7 days after the date on which the Board receives a revised budget under paragraph (2)(B)(ii)(II), the Board shall—

(A) determine whether the revised budget is a compliant budget; and

(B)(i) if the revised budget is a compliant budget—

(I) approve the compliant budget; and

(II) submit the compliant budget to the legislature of the applicable covered territory; or

(ii) if the revised budget is not a compliant budget—

(I) issue a notice of noncompliance;

(II) publicly submit recommendations of the Board for adjustments that should be made to ensure the adopted budget of the territorial government for the applicable fiscal year is a compliant budget;

(III) submit the noncompliant budget to the legislature of the applicable covered territory with recommendations of the Board for adjustments that should be made to ensure the adopted budget of the territorial government for the applicable fiscal year is a complaint budget; and

(IV) issue a directive that the legislature shall strive to adopt the Board's recommendations in the budget of the territorial government for the applicable fiscal year.

(b) BUDGET APPROVAL BY LEGISLATURE.—

(1) IN GENERAL.—The legislature of the applicable covered territory shall submit to the Board the budget adopted by the legislature not later than—

(A) the date that is 30 days before the first day of each applicable fiscal year; or

(B) the date previously approved in writing by the Board not to exceed 60 days after the first day of the applicable fiscal year, if a date was approved in writing.

(2) DETERMINATION BY BOARD.—Not later than the date that is 7 days after the date on which the Board receives an adopted budget submitted under paragraph (1), the Board shall—

(A) determine whether the adopted budget is a compliant budget; and

(B)(i) if the adopted budget is a compliant budget, issue a compliance certification for the compliant budget; or

(ii) if the budget is not a compliant budget—

(I) issue a certificate of noncompliance;

(II) publicly submit recommendations of the Board for adjustments that should be made to the budget of the territorial government for the upcoming fiscal year to ensure the revenues and expenditures are consistent with the Fiscal Plan;

(III) provide to the Governor and legislature of the applicable covered territory a certificate of noncompliance that includes a description of any recommendations of the Board for adjustments that should be made to the budget of the territorial government for the upcoming fiscal year to ensure the revenues and expenditures are consistent with the Fiscal Plan; and

(IV) issue a directive that the Governor and the legislature shall strive to adopt the Board's recommendations in the budget of the territorial government for the upcoming fiscal year.

On page 66, strike lines 1 through 12.

**SA 4904.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 53, line 3, insert “, if not fewer than 5 of the members of the Oversight Board certify that any corrective action would not affect funding of essential public services or public pension systems” after “shall”.

**SA 4905.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 39, beginning with line 15, strike through line 17.

**SA 4906.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 68, line 20, insert “including recommendations on changes to the treatment of Puerto Ricans under the Internal Revenue Code of 1986 and Federal health policies,” after “laws.”.

**SA 4907.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 136, strike lines 5 through 18.

**SA 4908.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IV, add the following:

#### **SEC. 414. REPRESENTATION IN THE HOUSE OF REPRESENTATIVES.**

Notwithstanding any other provision of law, during any period in which there is an Oversight Board in effect for Puerto Rico

under this Act, the Resident Commissioner of Puerto Rico shall have a vote in the House of Representatives.

**SA 4909.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 86, strike line 19 and all that follows through page 87, line 6.

**SA 4910.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 209 and insert the following:  
**SEC. 209. TERMINATION OF BOARD.**

A Board shall terminate on certification by the Board that—

(1) the Board has been in operation for not less than 3 years and the applicable territorial government has adequate access, on an unsecured basis, to short-term and long-term credit markets at reasonable interest rates to meet the borrowing needs of the territorial government using a compliant budget; or

(2) for not less than 3 consecutive fiscal years prior to the certification, the expenditures made by the applicable territorial government for each fiscal year did not exceed the revenues of the territorial government during that fiscal year, using a compliant budget.

**SA 4911.** Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

In section 101(b), strike paragraph (1) and insert the following:

(1) PUERTO RICO.—Subject to the legislature of Puerto Rico adopting a resolution approving the establishment of a Financial Oversight and Management Board for Puerto Rico, a Financial Oversight and Management Board is established for Puerto Rico.

In section 101, strike subsection (e) and insert the following:

(e) MEMBERSHIP.—

(1) NUMBER; CATEGORIES.—

(A) NUMBER OF MEMBERS.—The Oversight Board shall consist of 9 members appointed by the President who meet the qualifications described in subsection (f) and section 109(a).

(B) CATEGORIES.—The Board shall be comprised of—

(i) 1 Category A member;

(ii) 1 Category B member;

(iii) 2 Category C members;

(iv) 1 Category D member;

(v) 1 Category E member;

(vi) 2 Category F members; and

(vii) 1 Category G member.

(2) APPOINTED MEMBERS.—

(A) APPOINTMENT.—The President shall appoint the individual members of the Oversight Board, of which—

(i) the Category A member should be selected from a list of individuals submitted by the Speaker of the House of Representatives;

(ii) the Category B member should be selected from a separate list of individuals submitted by the Speaker of the House of Representatives;

(iii) the Category C members should be selected from a list submitted by the majority leader of the Senate;

(iv) the Category D member should be selected from a list submitted by the minority leader of the House of Representatives;

(v) the Category E member should be selected from a list submitted by the minority leader of the Senate;

(vi) the Category F members should be selected from a list submitted by the Governor and approved by the Legislature; and

(vii) the Category G member may be selected in the sole discretion of the President.

(B) SUBMISSION OF LIST.—After the selection of the Category G Board member by the President under subparagraph (A)(vii), for purposes of subparagraph (A) and within a timely manner—

(i) the Speaker of the House of Representatives shall submit to the President 2 non-overlapping lists of at least 3 individuals, of which 1 list shall include 3 individuals who—

(I) maintain a primary residence in the territory; or

(II) have a primary place of business in the territory;

(ii) the majority leader of the Senate shall submit to the President a list of at least 4 individuals;

(iii) the minority leader of the House of Representatives shall submit to the President a list of at least 3 individuals;

(iv) the minority leader of the Senate shall submit to the President a list of at least 3 individuals; and

(v) the Governor shall submit to the President a list of at least 4 individuals.

(C) ADDITIONAL NAMES.—If the President does not select any of the individuals from a list submitted under subparagraph (B), the official that submitted the list may supplement the lists submitted under that subparagraph with the names of additional individuals.

(D) REQUIREMENT FOR CATEGORY A MEMBER.—The Category A member shall—

(i) maintain a primary residence in the territory; or

(ii) have a primary place of business in the territory.

(E) SENATE CONFIRMATION.—With respect to the appointment of an Oversight Board member in Category A, B, C, D, E, or F—

(i) the appointment shall be by and with the advice and consent of the Senate; or

(ii) if the President appoints an individual from a list of individuals in accordance with this subsection, no Senate confirmation shall be required.

(F) VACANCY.—In the event of a vacancy of a Category A, B, C, D, E, or F Oversight Board member, the official responsible for submitting a list of individuals for that category under subparagraph (B) shall submit a list in accordance with this subsection within a timely manner of the date on which resignation or removal of the Oversight Board member becomes effective.

(G) DEADLINE FOR PUERTO RICO.—With respect to an Oversight Board for Puerto Rico, if any of the 9 members have not been appointed by September 30, 2016, the President shall appoint an individual from the list for the vacant category by December 1, 2016, if the list includes at least 2 individuals per vacancy who—

(i) meet the requirements under subsection (f) and section 109; and

(ii) are willing to serve.

In section 201(b)(1)(C), strike “adequate” and insert “full”.

In section 206, strike subsection (b) and insert the following:

(b) ISSUANCE OF RESTRUCTURING CERTIFICATION.—The Oversight Board shall issue a restructuring certification for an entity only after the Oversight Board determines that

the requirements of subsection (a) have been met with respect to the entity, which shall satisfy the requirement established under section 302(2).

Strike sections 403 and 404.

**SA 4912.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, strike line 24 and insert the following:

pension systems, and in so doing, treat participant contributions to any trust administered by the territory or any instrumentality thereof as the property of the contributor and ensure that funding is pledged for each fiscal year sufficient to satisfy the lawful claims of participants to their contributions;

**SA 4913.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, line 23, strike “adequate” and insert “full”.

**SA 4914.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, strike line 24 and insert the following:

pension systems to ensure payment of retirement benefits accrued as of the effective date of this Act (to the extent such benefits do not exceed the maximum guarantee which would apply with respect to the participant under section 4022 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322) if title IV of such Act applied to the participant's plan), treat participant contributions to any trust administered by the territory or any instrumentality thereof as the property of the contributor, and ensure that funding is pledged for each fiscal year sufficient to satisfy the lawful claims of participants to their contributions;

**SA 4915.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 403 and insert the following:

**SEC. 403. FIRST MINIMUM WAGE IN PUERTO RICO.**

Section 6(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(g)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by striking paragraphs (2) and (3) and inserting the following:

“(2) In lieu of the rate prescribed by subsection (a)(1), the Governor of Puerto Rico, subject to the approval of the Financial Oversight and Management Board established pursuant to section 101 of the Puerto Rico Oversight, Management, and Economic Stability Act, may designate a time period not to exceed four years during which em-

ployers in Puerto Rico may pay employees who are initially employed after the date of enactment of such Act a wage which is not less than the wage described in paragraph (1). Notwithstanding the time period designated, such wage shall not continue in effect after such Board terminates in accordance with section 209 of such Act.

“(3) No employer may take any action to displace employees (including partial displacements such as reduction in hours, wages, or employment benefits) for purposes of hiring individuals at the wage authorized in paragraph (1) or (2).

“(4) Any employer who violates this subsection shall be considered to have violated section 15(a)(3) (29 U.S.C. 215(a)(3)).”.

**SA 4916.** Mr. SANDERS submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the “Puerto Rico Humanitarian Relief and Reconstruction Act”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definition of Commonwealth.

**TITLE I—SENSE OF CONGRESS ON DEBT HELD BY THE COMMONWEALTH**

Sec. 101. Findings.

Sec. 102. Purposes.

Sec. 103. Sense of Congress.

**TITLE II—PUERTO RICO RECONSTRUCTION FINANCE CORPORATION**

Sec. 201. Definitions.

Sec. 202. Establishment and funding.

Sec. 203. Board of the Corporation.

Sec. 204. Duties.

Sec. 205. Default by the Commonwealth or a municipality of the Commonwealth.

Sec. 206. Rule of construction.

**TITLE III—PUERTO RICO CHAPTER 9 UNIFORMITY**

Sec. 301. Amendment.

Sec. 302. Effective date; application of amendment.

Sec. 303. Severability.

**TITLE IV—ADDRESSING HEALTH CARE DISPARITIES IN THE COMMONWEALTH**

Subtitle A—Medicaid

Sec. 411. Elimination of general Medicaid funding limitations (“cap”) for Puerto Rico.

Sec. 412. Elimination of specific Federal medical assistance percentage (FMAP) limitation for Puerto Rico.

Sec. 413. Application of 100 percent Federal poverty line (FPL) limitation to Puerto Rico.

Sec. 414. Extension of application of Medicare payment floor to primary care services furnished in Puerto Rico under Medicaid and application to additional providers.

Subtitle B—Medicare Provisions

Sec. 421. Application of part B deemed enrollment process to residents of Puerto Rico; special enrollment period and limit on late enrollment penalties.

Sec. 422. Puerto Rico practice expense GPCI improvement.

Sec. 423. Permanent extension of incentive payments for primary care services furnished in Puerto Rico.

Subtitle C—National Environmental Public Health Tracking and Studies

Sec. 431. National Environmental Public Health Tracking.

Sec. 432. Study on environmental, biological, and health data from the island of Vieques, Puerto Rico.

TITLE V—INFRASTRUCTURE INVESTMENTS

Subtitle A—Energy Infrastructure Incentives

Sec. 511. Grant program to promote of access to renewable energy and energy efficiency for Puerto Rico.

Sec. 512. Incentives for energy efficient commercial buildings.

Sec. 513. Incentives for new energy efficient homes.

Subtitle B—Transportation, Housing, and Agriculture Infrastructure Incentives

Sec. 521. General provisions.

Sec. 522. Highway program.

Sec. 523. TIGER discretionary grants.

Sec. 524. Passenger and freight rail improvements.

Sec. 525. Airport Improvement Program.

Sec. 526. Clean and safe water revolving funds.

Sec. 527. Rural Utilities Service programs.

Sec. 528. Rural Energy for America Program.

Sec. 529. Construction of ferry boats and ferry terminal facilities.

Sec. 530. Corps of Engineers funds.

Sec. 531. Predisaster hazard mitigation and resiliency.

Sec. 532. Broadband programs.

Sec. 533. Housing and community development.

TITLE VI—EARNED INCOME TAX CREDIT AND TAX EQUALIZATION MEASURES

Sec. 611. Puerto Rico residents eligible for earned income tax credit.

Sec. 612. Equitable treatment for residents of Puerto Rico with respect to the refundable portion of the child tax credit.

TITLE VII—PUERTO RICO DETERMINATION ON STATUS

Sec. 701. Vote regarding status.

Sec. 702. Certification and transmittal of results.

Sec. 703. Transition process.

Sec. 704. Rules for elections for Federal offices.

Sec. 705. Issuance of Presidential proclamation.

Sec. 706. State of Puerto Rico.

Sec. 707. Effect on membership of House of Representatives.

SEC. 2. DEFINITION OF COMMONWEALTH.

In this Act, the term “Commonwealth” means the Commonwealth of Puerto Rico.

TITLE I—SENSE OF CONGRESS ON DEBT HELD BY THE COMMONWEALTH

SEC. 101. FINDINGS.

Congress finds that—

(1) in 2015, a Commission for the Comprehensive Audit of Puerto Rico's Public Debt was established in Puerto Rico under Act 97; and

(2) the Commission for the Comprehensive Audit of Puerto Rico's Public Debt is currently conducting an audit of the debt held by Puerto Rico.

SEC. 102. PURPOSES.

The purposes of this Act are—

(1) to ensure that pensions of ordinary investors are protected; and

(2) to ensure that Wall Street speculators are not able to profit from the misfortune of United States citizens, including the 3,500,000 people in Puerto Rico.

SEC. 103. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) if the Commission for the Comprehensive Audit of Puerto Rico's Public Debt finds that any of the debt held by Puerto Rico was acquired in violation of the Constitution of Puerto Rico, the Puerto Rican government should immediately set aside this debt and suggest to holders of this debt that they seek redress from the investment banks that helped market and sell these unconstitutional instruments;

(2) the Board of Governors of the Federal Reserve System has the authority to provide emergency financing to Puerto Rico to facilitate an orderly restructuring of the debt held by Puerto Rico under sections 13(3) and 14(2)(b) of the Federal Reserve Act (12 U.S.C. 343 and 355); and

(3) Puerto Rico is experiencing a humanitarian crisis, and that the American government must meet the basic human needs of its citizens ahead of the profits of Wall Street.

TITLE II—PUERTO RICO RECONSTRUCTION FINANCE CORPORATION

SEC. 201. DEFINITIONS.

In this title:

(1) BOARD.—The term “Board” means the Board of the Corporation.

(2) BOND.—The term “Bond” means a bond, loan, line of credit, note, or other borrowing title, in physical or dematerialized form, of which—

(A) the issuer, borrower, or guarantor is a municipality or the Commonwealth; and

(B) the date of issuance or incurrence of debt precedes the date of enactment of this Act.

(3) CORPORATION.—The term “Corporation” means the Puerto Rico Reconstruction Finance Corporation established under section 202.

(4) MUNICIPALITY.—The term “municipality”—

(A) includes any political subdivision, public agency, instrumentality or instrumentality of the Commonwealth; and

(B) should be broadly construed to effectuate the purposes of this title.

SEC. 202. ESTABLISHMENT AND FUNDING.

There is established a public bank with the authority to draw upon the Exchange Stabilization Fund, to be known as the “Reconstruction Finance Corporation of Puerto Rico”.

SEC. 203. BOARD OF THE CORPORATION.

(a) IN GENERAL.—The Corporation shall have a board consisting of 7 members, including a chairman, of whom all shall—

(1) reside in Puerto Rico;

(2) have expertise in the economy, culture, history, and government of Puerto Rico; and

(3) represent the interests of labor, agriculture, small business, and the environment.

(b) APPOINTMENT.—

(1) IN GENERAL.—The President shall appoint the individual members of the Board, of whom—

(A) 4 members should be selected from a list submitted by the legislative branch of the Puerto Rican government;

(B) 2 members should be selected from a list submitted by the Governor of Puerto Rico; and

(C) 1 member may be selected in the sole discretion of the President.

(2) ADVICE AND CONSENT.—With respect to the appointment of a Board member described in subparagraph (A) or (B) of paragraph (1), such an appointment shall be by

and with the advice and consent of the Senate, unless the President appoints an individual from a list, as provided in this subsection, in which case no Senate confirmation is required.

(c) TERM.—Each member of the Board shall serve a term of 4 years and may be reappointed after the expiration of a term.

(d) ETHICS.—

(1) CONFLICT OF INTEREST.—Notwithstanding any ethics provision governing employees of the Commonwealth, all members and staff of the Board shall be subject to the Federal conflict of interest requirements described in section 208 of title 18, United States Code.

(2) FINANCIAL DISCLOSURE.—Notwithstanding any ethics provision governing employees of the Commonwealth, all members of the Board and staff designated by the Board shall be subject to disclosure of their financial interests, the contents of which shall conform to the same requirements set forth in section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.).

SEC. 204. DUTIES.

The Board may—

(1) hire and pay members of the Board and staff;

(2) organize the affairs in accordance with bylaws approved by the Board;

(3) discount any note or Bond from any public entity in the Commonwealth upon approval of a majority of the Board;

(4) make any expenditure the Board determines is necessary to address the humanitarian crisis in the Commonwealth and restore economic growth;

(5) authorize expenditures and lending activities, including discounting any note or offering a financial guarantee, by an affirmative vote of a majority of the members of the Board;

(6) negotiate with the Commonwealth or a municipality that has defaulted on a Bond over budgets, revenues, and appropriations;

(7) remove a stay under section 205(d);

(8) discount Bonds and notes from the Commonwealth or a municipality;

(9) may reduce the par value of any such Bond; and

(10) protect the public pensions in the Commonwealth as well as ordinary investors and pension funds in the United States.

SEC. 205. DEFAULT BY THE COMMONWEALTH OR A MUNICIPALITY OF THE COMMONWEALTH.

(a) WHO MAY FILE AN APPLICATION WITH THE CORPORATION.—An entity may file an application with the Corporation under this title if and only if such entity—

(1) is a municipality or the Commonwealth;

(2) is specifically authorized, in its capacity as a municipality or the Commonwealth or by name, to file an application with the Corporation under this title by Commonwealth law, by the Corporation itself, or by a governmental officer or organization empowered by Commonwealth law to authorize such entity to file an application with the Corporation under this title;

(3) desires to and is authorized by Commonwealth law, by the Corporation itself, or by a governmental officer or organization empowered by Commonwealth law to make such authorization to restructure its Bond debts; and

(4)(A) has obtained the agreement of creditors holding at least a majority in amount of the claims that such entity intends to impair under a plan in a case under this title;

(B) has negotiated in good faith with creditors and has failed to obtain the agreement of creditors holding at least a majority in amount of the claims of each class that such entity intends to impair under a plan in a case under this title; or

(C) is unable to negotiate with creditors because such negotiation is impracticable, as determined by the entity.

(b) APPLICATION.—The Commonwealth or a municipality may file with the Corporation an application that the Commonwealth or municipality that the Commonwealth or municipality—

(1) meets the requirements described in subsection (a); and

(2) desires to restructure its debt.

(c) PURCHASE OF BONDS.—

(1) IN GENERAL.—If the Commonwealth or a municipality files an application under subsection (b) and the Board, by an affirmative vote of a majority of the members of the Board, accepts the application—

(A) the Corporation shall purchase each Bond from the holder of the Bond issued by the Commonwealth or municipality at the price paid for the Bond by the holder of the Bond; and

(B) the par value of each Bond issued by the Commonwealth or municipality shall be reduced to the last price paid for that Bond.

(2) AUTHORITY OF CORPORATION.—The Corporation may examine records of sales of Bonds to determine whether the price paid by the holder of a Bond is not fraudulent.

(3) MISREPRESENTATION OF BOND PURCHASE PRICE.—Any person that violates paragraph (1) shall be subject to the penalties under section 10 of the Securities Exchange Act of 1934 (15 U.S.C. 78j) in the same manner and to the same extent as if the person had violated that section.

(4) BOND INSURERS.—Any insurer of a Bond issued by the Commonwealth or a municipality on which the Commonwealth or municipality has defaulted shall not be liable to the holder of a Bond for any amount that is greater than the purchase price of the Bond if the insurer demonstrates to the satisfaction of the Corporation that the solvency of the issuer would be affected by the restructuring of the Bond.

(5) PAYMENTS AS FINAL SETTLEMENT.—Amounts paid by the Corporation for bonds under this subsection shall be in full and final settlement of any and all debts, claims, and liens with respect to such bonds.

(d) AUTOMATIC STAY.—

(1) Except as otherwise provided in this section, the filing and acceptance of an application under subsection (b) operates with respect to any claim, debt, or cause of action related to a Bond as a stay, applicable to all entities (as such term is defined in section 101 of title 11, United States Code), of—

(A) the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the Commonwealth or a municipality, or to recover a claim against the Commonwealth or a municipality;

(B) the enforcement, against the Commonwealth or a municipality or against property of the Commonwealth or a municipality, of a judgment;

(C) any act to obtain possession of property of the Commonwealth or a municipality, or of property from the Commonwealth or a municipality, or to exercise control over property of the Commonwealth or a municipality;

(D) any act to create, perfect, or enforce any lien against property of the Commonwealth or a municipality;

(E) any act to create, perfect, or enforce against property of the Commonwealth or a municipality any lien to the extent that such lien secures a claim;

(F) any act to collect, assess, or recover a claim against the Commonwealth or a municipality; and

(G) the setoff of any debt owing to the Commonwealth or a municipality against

any claim against the Commonwealth or a municipality.

(2) On motion of a party in interest and after notice and a hearing, the Board may grant relief from a stay under paragraph (1)—

(A) for cause, including the lack of adequate protection of a security interest in property of such party in interest; or

(B) with respect to a stay of an act against property under paragraph (1), if—

(i) the applying entity does not have an equity in such property; and

(ii) such property is not necessary for the Commonwealth or municipality to provide essential services.

(3) Thirty days after a request under paragraph (4) for relief from the stay of any act against property of the Commonwealth or a municipality under paragraph (1), such stay is terminated with respect to the party in interest making such request, unless the Board, after notice and a hearing, orders such stay continued in effect pending the conclusion of, or as a result of, a final hearing and determination under paragraph (4). A hearing under this subsection may be a preliminary hearing, or may be consolidated with the final hearing under paragraph (4). The Corporation shall order such stay continued in effect pending the conclusion of the final hearing under paragraph (4) if there is a reasonable likelihood that the party opposing relief from such stay will prevail at the conclusion of such final hearing. If the hearing under this subsection is a preliminary hearing, then such final hearing shall be concluded not later than 30 days after the conclusion of such preliminary hearing, unless the 30-day period is extended with the consent of the parties in interest or for a specific time which the Corporation finds is required by compelling circumstances.

(4) Upon request of a party in interest, the Corporation, with or without a hearing, shall grant such relief from the stay provided under paragraph (1) as is necessary to prevent irreparable damage to the secured interest of an entity in property, if such interest will suffer such damage before there is an opportunity for notice and a hearing under paragraph (2) or (3).

(5) No order, judgment, or decree entered in violation of this section shall have any force or effect.

(6) In any hearing under paragraph (2) or (3) concerning relief from a stay—

(A) the party requesting such relief has the burden of proof on the issue of the applying entity's equity in property; and

(B) the party opposing such relief has the burden of proof on all other issues.

#### SEC. 206. RULE OF CONSTRUCTION.

No application submitted or accepted under this title shall be permitted to diminish or impair any pension benefit, or the funding obligations for such a benefit, nor shall it permit the impairment or rejection of any agreement between a debtor and any labor organization.

### TITLE III—PUERTO RICO CHAPTER 9 UNIFORMITY

#### SEC. 301. AMENDMENT.

Section 101(52) of title 11, United States Code, is amended to read as follows:

“(52) The term ‘State’ includes Puerto Rico and, except for the purpose of defining who may be a debtor under chapter 9 of this title, includes the District of Columbia.”

#### SEC. 302. EFFECTIVE DATE; APPLICATION OF AMENDMENT.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this title and the amendment made by this title shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this title shall apply with respect to—

(A) cases commenced under title 11 of the United States Code on or after the date of the enactment of this Act; and

(B) debts, claims, and liens created before, on, or after such date.

(2) EXCEPTION.—No case commenced by a municipality of Puerto Rico under chapter 9 of title 11, United States Code, shall permit—

(A) the diminishment or impairment of any pension benefit, or the funding obligations for such a benefit; or

(B) the impairment or rejection of any agreement between a debtor and any labor organization.

#### SEC. 303. SEVERABILITY.

If any provision of this title or any amendment made by this title, or the application of such provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this title and the amendments made by this title, or the application of that provision or amendment to other persons or circumstances, shall not be affected.

### TITLE IV—ADDRESSING HEALTH CARE DISPARITIES IN THE COMMONWEALTH

#### Subtitle A—Medicaid

#### SEC. 411. ELIMINATION OF GENERAL MEDICAID FUNDING LIMITATIONS (“CAP”) FOR PUERTO RICO.

(a) IN GENERAL.—Section 1108 of the Social Security Act (42 U.S.C. 1308) is amended—

(1) in subsection (f), in the matter before paragraph (1), by striking “subsection (g)” and inserting “subsections (g) and (h)”; and

(2) in subsection (g)(2), in the matter before subparagraph (A), by inserting “and subsection (h)” after “paragraphs (3) and (5)”; and

(3) by adding at the end the following new subsection:

“(h) SUNSET OF MEDICAID FUNDING LIMITATIONS FOR PUERTO RICO.—Subsections (f) and (g) shall not apply to Puerto Rico beginning with fiscal year 2017.”

(b) CONFORMING AMENDMENTS.—

(1) Section 1903(u) of the Social Security Act (42 U.S.C. 1396b(u)) is amended by striking “Puerto Rico,”.

(2) Section 1323(c)(1) of the Patient Protection and Affordable Care Act (42 U.S.C. 18043(c)(1)) is amended by striking “ending with 2019” and inserting the following: “ending with—

“(A) for purposes of payment pursuant to subsection (a) to Puerto Rico, 2016; and

“(B) for purposes of payment pursuant to subsection (a) to another territory, 2019.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply beginning with fiscal year 2017.

#### SEC. 412. ELIMINATION OF SPECIFIC FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) LIMITATION FOR PUERTO RICO.

(a) IN GENERAL.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in clause (2) of subsection (b), by striking “Puerto Rico,”; and

(2) in subsection (y)(1), in the matter preceding subparagraph (A)—

(A) by inserting “, for fiscal years before fiscal year 2017,” before “is one of the”; and

(B) by inserting “and, for fiscal year 2017 and subsequent fiscal years, is one of the 50 States, the District of Columbia, or Puerto Rico,” after “the District of Columbia”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply beginning with fiscal year 2017.

#### SEC. 413. APPLICATION OF 100 PERCENT FEDERAL POVERTY LINE (FPL) LIMITATION TO PUERTO RICO.

(a) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) in subsection (a)(10)(A)(i)(VIII), by inserting “(or, subject to subsection (j), 100 percent in the case of Puerto Rico)” after “133 percent”; and

(2) in subsection (j)—

(A) by inserting “(1)” after “(j)”; and

(B) by adding at the end the following new paragraph:

“(2)(A) Subject to subparagraph (B), Federal financial participation shall not be available to Puerto Rico for medical assistance for an individual whose family income exceeds 100 percent of the poverty line (as defined in section 2110(c)(5)) for a family of the size involved, except in the case of individuals qualifying for medical assistance under subsection (a)(10)(A)(i)(IX).

“(B) The Secretary may, under section 1115, waive the limitation under subparagraph (A). In carrying out this subparagraph, the Secretary shall take into account the eligibility levels established under the State plan of Puerto Rico before the date of the enactment of this paragraph.”.

(b) NOT APPLYING 5 PERCENT DISREGARD.—Section 1902(e)(14)(I) of the Social Security Act (42 U.S.C. 1396b(e)(14)(I)) is amended by adding at the end the following:

“The previous sentence shall not apply to Puerto Rico.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to eligibility determinations made with respect to items and services furnished on or after October 1, 2016.

**SEC. 414. EXTENSION OF APPLICATION OF MEDICAID PAYMENT FLOOR TO PRIMARY CARE SERVICES FURNISHED IN PUERTO RICO UNDER MEDICAID AND APPLICATION TO ADDITIONAL PROVIDERS.**

(a) IN GENERAL.—Section 1902(a)(13) of the Social Security Act (42 U.S.C. 1396a(a)(13)) is amended—

(1) in subparagraph (B), by striking “; and” and inserting a semicolon;

(2) in subparagraph (C), by striking the semicolon at the end and inserting “; and”; and

(3) by adding at the end the following new subparagraph:

“(D) payment for primary care services (as defined in subsection (jj)) at a rate that is not less than 100 percent of the payment rate that applies to such services and physician under part B of title XVIII (or, if greater, the payment rate that would be applicable under such part if the conversion factor under section 1848(d) for the year involved were the conversion factor under such section for 2009), and that is not less than the rate that would otherwise apply to such services under this title if the rate were determined without regard to this subparagraph, and that are furnished in Puerto Rico on or after January 1, 2017—

“(i) by a physician with a primary specialty designation of family medicine, general internal medicine, or pediatric medicine, but only if the physician self-attests that—

“(I) the physician is Board certified in family medicine, general internal medicine, or pediatric medicine; or

“(II) with respect to the most recently completed calendar year (or in the case of a newly eligible physician, the preceding month), 60 percent of all services the physician billed for under the State plan or a waiver under this title, or provided through a medicaid managed care organization (as defined in section 1903(m)(1)(A)), were for services described in subparagraph (A) or (B) of subsection (jj)(1);

“(ii) by a physician with a primary specialty designation of obstetrics and gynecology, but only if the physician self-attests that—

“(I) the physician is Board certified in obstetrics and gynecology; and

“(II) with respect to the most recently completed calendar year (or in the case of a newly eligible physician, the preceding month), 60 percent of all services the physician billed for under the State plan or a waiver under this title, or provided through a medicaid managed care organization (as defined in section 1903(m)(1)(A)), were for services described in subparagraph (A) or (B) of subsection (jj)(1);

“(iii) by an advanced practice clinician, as defined by the Secretary, that works under the supervision of—

“(I) a physician that satisfies the criteria specified in clause (i) or (ii); or

“(II) a nurse practitioner or a physician assistant (as such terms are defined in section 1861(aa)(5)(A)) who is working in accordance with State law, or a certified nurse-midwife (as defined in section 1861(gg)) who is working in accordance with State law, but only if the nurse practitioner, physician assistant, or certified nurse-midwife self-attests that, with respect to the most recently completed calendar year (or in the case of a newly eligible nurse practitioner, physician assistant, or certified nurse-midwife, the preceding month), 60 percent of all services the nurse practitioner, physician assistant, or certified nurse-midwife billed for under the State plan or a waiver under this title, or provided through a medicaid managed care organization (as defined in section 1903(m)(1)(A)), were for services described in subparagraph (A) or (B) of subsection (jj)(1);

“(iv) by a rural health clinic, Federally-qualified health center, or other health clinic that receives reimbursement on a fee schedule applicable to a physician, a nurse practitioner or a physician assistant (as such terms are defined in section 1861(aa)(5)(A)) who is working in accordance with State law, or a certified nurse-midwife (as defined in section 1861(gg)) who is working in accordance with State law, for services furnished by a physician, nurse practitioner, physician assistant, or certified nurse-midwife, or services furnished by an advanced practice clinician supervised by a physician described in clause (i)(I) or (ii)(I), another advanced practice clinician, or a certified nurse-midwife, but only if the rural health clinic or Federally-qualified health center self-attests that 60 percent of all services billed for under the State plan or a waiver under this title, or provided through a medicaid managed care organization (as defined in section 1903(m)(1)(A)), were for services described in subparagraph (A) or (B) of subsection (jj)(1); or

“(v) by a nurse practitioner or a physician assistant (as such terms are defined in section 1861(aa)(5)(A)) who is working in accordance with State law, or a certified nurse-midwife (as defined in section 1861(gg)) who is working in accordance with State law, in accordance with procedures that ensure that the portion of the payment for such services that the nurse practitioner, physician assistant, or certified nurse-midwife is paid is not less than the amount that the nurse practitioner, physician assistant, or certified nurse-midwife would be paid if the services were provided under part B of title XVIII, but only if the nurse practitioner, physician assistant, or certified nurse-midwife self-attests that, with respect to the most recently completed calendar year (or in the case of a newly eligible nurse practitioner, physician assistant, or certified nurse-midwife, the preceding month), 60 percent of all services the nurse practitioner, physician assistant, or certified nurse-midwife billed for under the State plan or a waiver under this title, or provided through a medicaid managed care organization (as defined in section

1903(m)(1)(A)), were for services described in subparagraph (A) or (B) of subsection (jj)(1);”.

(b) CONFORMING AMENDMENTS.—

(1) Section 1905(dd) of the Social Security Act (42 U.S.C. 1396(dd)) is amended—

(A) by inserting the following sentence after the first sentence: “Notwithstanding subsection (b), with respect to the portion of the amounts expended for medical assistance for services described in section 1902(a)(13)(D) furnished in Puerto Rico on or after January 1, 2017, that is attributable to the amount by which the minimum payment rate required under such section (or, by application, section 1932(f)) exceeds the payment rate applicable to such services under the State plan as of July 1, 2009, the Federal medical assistance percentage shall be equal to 100 percent.”; and

(B) in the last sentence, by striking “preceding sentence does not” and inserting “preceding sentences do not”.

(2) Section 1932(f) of the Social Security Act (42 U.S.C. 1396u–2(f)) is amended—

(A) by striking “section 1902(a)(13)(C)” and inserting “subparagraph (C) or (D) of section 1902(a)(13)”; and

(B) by striking “specified in such section” and inserting “specified in such subparagraphs”.

**Subtitle B—Medicare Provisions**

**SEC. 421. APPLICATION OF PART B DEEMED ENROLLMENT PROCESS TO RESIDENTS OF PUERTO RICO; SPECIAL ENROLLMENT PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES.**

(a) APPLICATION OF PART B DEEMED ENROLLMENT PROCESS TO RESIDENTS OF PUERTO RICO.—Section 1837(f)(3) of the Social Security Act (42 U.S.C. 1395p(f)(3)) is amended by striking “, exclusive of Puerto Rico”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals whose initial enrollment period under section 1837(d) of the Social Security Act begins on or after the first day of the effective month, specified by the Secretary of Health and Human Services under section 1839(j)(1)(C) of such Act, as added by subsection (c)(2).

(c) TRANSITION PROVIDING SPECIAL ENROLLMENT PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES FOR CERTAIN MEDICARE BENEFICIARIES.—Section 1839 of the Social Security Act (42 U.S.C. 1395r) is amended—

(1) in the first sentence of subsection (b), by inserting “subject to section 1839(j)(2),” after “subsection (i)(4) or (l) of section 1837.”; and

(2) by adding at the end the following new subsection:

“(j) SPECIAL RULES FOR CERTAIN RESIDENTS OF PUERTO RICO.—

“(1) SPECIAL ENROLLMENT PERIOD, COVERAGE PERIOD FOR RESIDENTS WHO ARE ELIGIBLE BUT NOT ENROLLED.—

“(A) IN GENERAL.—In the case of a transition individual (as defined in paragraph (3)) who is not enrolled under this part as of the day before the first day of the effective month (as defined in subparagraph (C)), the Secretary shall provide for a special enrollment period under section 1837 of 7 months beginning with such effective month during which the individual may be enrolled under this part.

“(B) COVERAGE PERIOD.—In the case of such an individual who enrolls during such special enrollment period, the coverage period under section 1838 shall begin on the first day of the second month after the month in which the individual enrolls.

“(C) EFFECTIVE MONTH DEFINED.—In this section, the term ‘effective month’ means a month, not earlier than October 2017 and not later than January 2018, specified by the Secretary.



“(2) REDUCTION IN LATE ENROLLMENT PENALTIES FOR CURRENT ENROLLEES AND INDIVIDUALS ENROLLING DURING TRANSITION.—

“(A) IN GENERAL.—In the case of a transition individual who is enrolled under this part as of the day before the first day of the effective month or who enrolls under this part on or after the date of the enactment of this subsection but before the end of the special enrollment period under paragraph (1)(A), the amount of the late enrollment penalty imposed under section 1839(b) shall be recalculated by reducing the penalty to 15 percent of the penalty otherwise established.

“(B) APPLICATION.—Subparagraph (A) shall be applied in the case of a transition individual who—

“(i) is enrolled under this part as of the month before the effective month, for premiums for months beginning with such effective month; or

“(ii) enrolls under this part on or after the date of the enactment of this Act and before the end of the special enrollment period under paragraph (1)(A), for premiums for months during the coverage period under this part which occur during or after the effective month.

“(C) LOSS OF REDUCTION IF INDIVIDUAL TERMINATES ENROLLMENT.—Subparagraph (A) shall not apply to a transition individual if the individual terminates enrollment under this part after the end of the special enrollment period under paragraph (1).

“(3) TRANSITION INDIVIDUAL DEFINED.—In this section, the term ‘transition individual’ means an individual who resides in Puerto Rico and who would have been deemed enrolled under this part pursuant to section 1837(f) before the first day of the effective month but for the fact that the individual was a resident of Puerto Rico, regardless of whether the individual is enrolled under this part as of such first day.”.

#### SEC. 422. PUERTO RICO PRACTICE EXPENSE GPCI IMPROVEMENT.

Section 1848(e)(1) of the Social Security Act (42 U.S.C. 1395w-4(e)(1)) is amended—

(1) in subparagraph (A), by striking “and (I)” and inserting “(I), and (J)”; and

(2) by adding at the end the following new subparagraph:

“(J) FLOOR FOR PRACTICE EXPENSE INDEX FOR SERVICES FURNISHED IN PUERTO RICO.—

“(i) IN GENERAL.—For purposes of payment for services furnished in Puerto Rico in a year (beginning with 2017), after calculating the practice expense index in subparagraph (A)(i) for Puerto Rico, if such index is below the reference index (as defined in clause (ii)) for the year, the Secretary shall increase such index for Puerto Rico to equal the value of the reference index for the year. The preceding sentence shall not be applied in a budget neutral manner.

“(ii) REFERENCE INDEX DEFINED.—In this subparagraph, the term ‘reference index’ means, with respect to a year, 0.800 or, if less, the lowest practice expense index value for the year for any area in the 50 States or the District of Columbia.”.

#### SEC. 423. PERMANENT EXTENSION OF INCENTIVE PAYMENTS FOR PRIMARY CARE SERVICES FURNISHED IN PUERTO RICO.

Section 1833(x)(1) of the Social Security Act (42 U.S.C. 1395l(x)(1)) is amended by inserting “(and in the case of primary care services furnished on or after January 1, 2017, in Puerto Rico)” after “2016”.

#### Subtitle C—National Environmental Public Health Tracking and Studies

#### SEC. 431. NATIONAL ENVIRONMENTAL PUBLIC HEALTH TRACKING.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Health and Human Services,

acting through the Director of the Centers for Disease Prevention and Control, shall update the National Environmental Public Health Tracking Network of the Centers for Disease Control and Prevention to include Puerto Rico (including Vieques).

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

#### SEC. 432. STUDY ON ENVIRONMENTAL, BIOLOGICAL, AND HEALTH DATA FROM THE ISLAND OF VIEQUES, PUERTO RICO.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Health and Human Services shall award a grant to an institution of higher education in Puerto Rico for the conduct of a 3-year study, in collaboration with the Puerto Rico Department of Health, on the environmental, biological, and health of residents of Vieques, Puerto Rico and specifically whether and to what extent past military exercises on Vieques have contributed to health conditions experienced by some residents of Vieques.

(b) ELEMENTS.—The study conducted under subsection (a) shall include—

(1) a review of the existing literature and previous public health assessments;

(2) testing of drinking water, air, seafood, locally grown produce, and soil samples;

(3) an analysis of previous biomonitoring studies in Vieques;

(4) new biomonitoring testing to determine the source of previously unexplained findings of metals in residents’ blood, urine, hair, or feces;

(5) biomonitoring control group testing from mainland Puerto Rico; and

(6) an analysis of the impact of the cumulative effects of exposure to multiple contaminants.

(c) USE OF FUNDS.—All costs related to biomonitoring and environmental testing under the study under subsection (a) shall be paid for directly with funds awarded under the grant under such subsection. Grant funds may be used to purchase testing equipment, as needed.

(d) FINAL REPORT.—The recipient of the grant under subsection (a) shall submit to the Secretary of Health and Human Services, a final report under such grant. Not later than 30 days after the submission of such report, the Secretary shall make such report public.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated \$10,000,000 to carry out this section.

#### TITLE V—INFRASTRUCTURE INVESTMENTS

##### Subtitle A—Energy Infrastructure Incentives

#### SEC. 511. GRANT PROGRAM TO PROMOTE OF ACCESS TO RENEWABLE ENERGY AND ENERGY EFFICIENCY FOR PUERTO RICO.

(a) IN GENERAL.—Upon application, the Secretary of the Treasury shall, subject to the requirements of this section, provide a grant to each eligible person who places in service specified energy property in the Commonwealth to reimburse such person for a portion of the expense of such property as provided in subsection (b). No grant shall be made under this section with respect to any property unless—

(1) in the case of specified energy property which is described in paragraph (1) of section 45(d) or clause (i) of section 48(a)(3)(A) of the Internal Revenue Code of 1986 (determined without regard to any date by which construction must begin), the construction of such property begins after the date of the enactment of this Act and before January 1 of the applicable calendar year, and

(2) in the case of any other specified energy property, such property is placed in service

after the date of the enactment of this Act and before January 1 of the applicable calendar year.

(b) GRANT AMOUNT.—

(1) IN GENERAL.—The amount of the grant under subsection (a) with respect to any specified energy property shall be the applicable percentage of the basis of such property.

(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term “applicable percentage” means—

(A) 30 percent in the case of any property described in paragraphs (1) through (4) of subsection (d), and

(B) 10 percent in the case of any other property.

(3) DOLLAR LIMITATIONS.—In the case of property described in paragraph (1), (2), (6), or (7) of subsection (d), the amount of any grant under this section with respect to such property shall not exceed the limitation described in section 48(a)(5)(E), 48(c)(1)(B), 48(c)(2)(B), or 48(c)(3)(B) of the Internal Revenue Code of 1986, respectively, with respect to such property.

(c) TIME FOR PAYMENT OF GRANT.—The Secretary of the Treasury shall make payment of any grant under subsection (a) during the 60-day period beginning on the later of—

(1) the date of the application for such grant, or

(2) the date the specified energy property for which the grant is being made is placed in service.

(d) SPECIFIED ENERGY PROPERTY.—For purposes of this section, the term “specified energy property” means any of the following:

(1) QUALIFIED FACILITIES.—Any qualified property (as defined in section 48(a)(5)(D) of the Internal Revenue Code of 1986) which is part of a qualified facility (within the meaning of section 45 of such Code) described in paragraph (1), (2), (3), (4), (6), (7), (9), or (11) of section 45(d) of such Code (determined without regard to any date by which construction must begin).

(2) QUALIFIED FUEL CELL PROPERTY.—Any qualified fuel cell property (as defined in section 48(c)(1) of such Code, determined without regard to any termination date).

(3) SOLAR PROPERTY.—Any property described in clause (i) or (ii) of section 48(a)(3)(A) of such Code (determined without regard to any termination date).

(4) QUALIFIED SMALL WIND ENERGY PROPERTY.—Any qualified small wind energy property (as defined in section 48(c)(4) of such Code, determined without regard to any termination date).

(5) GEOTHERMAL PROPERTY.—Any property described in clause (iii) of section 48(a)(3)(A) of such Code.

(6) QUALIFIED MICROTURBINE PROPERTY.—Any qualified microturbine property (as defined in section 48(c)(2) of such Code, determined without regard to any termination date).

(7) COMBINED HEAT AND POWER SYSTEM PROPERTY.—Any combined heat and power system property (as defined in section 48(c)(3) of such Code, determined without regard to subparagraph (A)(iv) thereof).

(8) GEOTHERMAL HEAT PUMP PROPERTY.—Any property described in clause (vii) of section 48(a)(3)(A) of such Code (determined without regard to any termination date).

Such term shall not include any property unless depreciation (or amortization in lieu of depreciation) is allowable (or would be allowable if section 933 of the Internal Revenue Code of 1986 were not taken into account) with respect to such property.

(e) ELIGIBLE PERSON.—For purposes of this section, the term “eligible person” means—

(1) any individual that is a bona fide resident (as defined under section 937 of the Internal Revenue Code of 1986) of the Commonwealth, and

(2) any corporation which is organized under the laws of the Commonwealth.

(f) **APPLICABLE CALENDAR YEAR.**—For purposes of this section, the term “applicable calendar year” means the calendar year following the first calendar year in which the aggregate amount of grants paid under subsection (a) exceeds \$1,200,000,000.

(g) **OTHER DEFINITIONS.**—Terms used in this section which are also used in section 45 or 48 of the Internal Revenue Code of 1986 shall have the same meaning for purposes of this section as when used in such section 45 or 48. Any reference in this section to the Secretary of the Treasury shall be treated as including the Secretary’s delegate.

(h) **APPLICATION OF CERTAIN RULES.**—In making grants under this section, the Secretary of the Treasury shall apply rules similar to the rules of section 50 of the Internal Revenue Code of 1986, except that in applying subsection (b)(1) thereof “Puerto Rico” shall be substituted for “United States”. In applying such rules, if the property is disposed of, or otherwise ceases to be specified energy property, the Secretary of the Treasury shall provide for the recapture of the appropriate percentage of the grant amount in such manner as the Secretary of the Treasury determines appropriate.

(i) **APPROPRIATIONS.**—There is hereby appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this section.

#### **SEC. 512. INCENTIVES FOR ENERGY EFFICIENT COMMERCIAL BUILDINGS.**

(a) **PERMANENT EXTENSION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.**—Section 179D of the Internal Revenue Code of 1986 is amended by striking subsection (h).

(b) **UPDATE OF STANDARD.**—

(1) **IN GENERAL.**—Section 179D of the Internal Revenue Code of 1986 is amended by striking “Standard 90.1-2001” each place it appears and inserting “the applicable ASHRAE standard”.

(2) **APPLICABLE ASHRAE STANDARD.**—Section 179D(c)(2) of such Code is amended to read as follows:

“(2) **APPLICABLE ASHRAE STANDARD.**—The term ‘applicable ASHRAE standard’ means—

“(A) Standard 90.1-2013 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America, or

“(B) in the case of any subsequent standard adopted by the American Society of Heating, Refrigerating, and Air Conditioning Engineers which supersedes the standard described in subparagraph (A), such subsequent standard.”.

(3) **EFFECTIVE DATE.**—The amendments made by this subsection shall apply to property placed in service after December 31, 2015.

(c) **GRANT PROGRAM FOR PUERTO RICO.**—

(1) **IN GENERAL.**—Upon application, the Secretary of the Treasury shall, subject to the requirements of this subsection, provide a grant to each eligible person who places in service energy efficient building property to reimburse such person for a portion of the expense of such property as provided in paragraph (2). No grant shall be made under this subsection with respect to any property unless such property is placed in service on or before the last day of the applicable calendar year.

(2) **GRANT AMOUNT.**—The amount of the grant under paragraph (1) with respect to any energy efficient building property shall be equal to the product of—

(A) 35 percent, and

(B) the excess of—

(i) the product of—

(I) \$1.80, and

(II) the square footage of the building, over

(ii) the aggregate amount of all prior grants under paragraph (1) with respect to the building.

(3) **TIME FOR PAYMENT OF GRANT.**—The Secretary of the Treasury shall make payment of any grant under paragraph (1) during the 60-day period beginning on the later of—

(A) the date of the application for such grant, or

(B) the date the energy efficient commercial building property for which the grant is being made is placed in service.

(4) **ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY.**—For purposes of this subsection, the term “energy efficient commercial building property” has the meaning given such term under section 179D(c) of the Internal Revenue Code of 1986, except that—

(A) the determination of whether depreciation (or amortization in lieu of depreciation) is allowable under such section 179D(c)(1)(A) shall be made without regard to section 933 of such Code, and

(B) such section 179D(c)(1)(B)(i) shall be applied by substituting “Puerto Rico” for “United States”.

(5) **ELIGIBLE PERSON.**—For purposes of this subsection, the term “eligible person” means—

(A) any individual that is a bona fide resident (as defined under section 937 of the Internal Revenue Code of 1986) of Puerto Rico, and

(B) any corporation which is organized under the laws of the Commonwealth.

(6) **APPLICABLE CALENDAR YEAR.**—For purposes of this subsection, the term “applicable calendar year” means the calendar year following the first calendar year in which the aggregate amount of grants paid under subsection (a) exceeds \$400,000,000.

(7) **SECRETARY OF THE TREASURY.**—Any reference in this subsection to the Secretary of the Treasury shall be treated as including the Secretary’s delegate.

(8) **APPLICATION OF SPECIAL RULES.**—Rules similar to the rules of subsections (d), (f), and (g) of section 179D of the Internal Revenue Code of 1986 shall apply with respect to grants under this subsection.

(9) **APPROPRIATIONS.**—There is hereby appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this subsection.

#### **SEC. 513. INCENTIVES FOR NEW ENERGY EFFICIENT HOMES.**

(a) **PERMANENT EXTENSION OF NEW ENERGY EFFICIENT HOME CREDIT.**—Section 45L of the Internal Revenue Code of 1986 is amended by striking subsection (g).

(b) **UPDATE OF STANDARD.**—

(1) **IN GENERAL.**—Section 45L of the Internal Revenue Code of 1986 is amended by striking “the standards of chapter 4 of the 2006 International Energy Conservation Code, as such Code (including supplements) is in effect on January 1, 2006” each place it appears and inserting “the applicable standards”.

(2) **APPLICABLE STANDARDS.**—Section 45L of such Code, as amended by subsection (a), is amended by adding at the end the following new subsection:

“(h) **APPLICABLE STANDARDS.**—For purposes of this section, the term ‘applicable standards’ means, with respect to any dwelling unit, the standards in effect for residential building energy efficiency under the International Energy Conservation Code on the first day of the taxable year in which construction for the dwelling unit commenced.”.

(3) **EFFECTIVE DATE.**—The amendments made by this subsection shall apply to homes acquired after December 31, 2015.

(c) **GRANT PROGRAM FOR PUERTO RICO.**—

(1) **IN GENERAL.**—Upon application, the Secretary of the Treasury shall, subject to the requirements of this subsection, provide a grant to each eligible contractor with respect to each qualified new energy efficient home which is—

(A) constructed by an eligible contractor, and

(B) acquired by a person from such eligible contractor for use as a residence.

No grant shall be made under this subsection with respect to any qualified new energy efficient home unless such home is acquired by another person for use as a residence on or before the last day of the applicable calendar year.

(2) **AMOUNT OF GRANT.**—The amount of the grant under paragraph (1) with respect to any qualified new energy efficient home is an amount equal to—

(A) in the case of a dwelling unit described in paragraph (1) or (2) of section 45L(c) of the Internal Revenue Code of 1986, \$2,000, and

(B) in the case of a dwelling unit described in paragraph (3) of section 45L(c) of the Internal Revenue Code of 1986, \$1,000.

(3) **TIME FOR PAYMENT OF GRANT.**—The Secretary of the Treasury shall make payment of any grant under paragraph (1) during the 60-day period beginning on the later of—

(A) the date of the application for such grant, or

(B) the date the qualified new energy efficient home for which the grant is acquired by another person for use as a residence.

(4) **QUALIFIED NEW ENERGY EFFICIENT HOME.**—For purposes of this subsection, the term “qualified new energy efficient home” has the meaning given such term under section 45L(b)(2) of the Internal Revenue Code of 1986, except that—

(A) subparagraph (A) thereof shall be applied by substituting “Puerto Rico” for “the United States”, and

(B) subparagraph (B) thereof shall be applied by substituting “the date of the enactment of section 513 of the Puerto Rico Humanitarian Relief and Reconstruction Act” for “the date of the enactment of this section”.

(5) **APPLICABLE CALENDAR YEAR.**—For purposes of this subsection, the term “applicable calendar year” means the calendar year following the first calendar year in which the aggregate amount of grants paid under subsection (a) exceeds \$400,000,000.

(6) **OTHER TERMS.**—Terms used in this subsection which are also used in section 45L of the Internal Revenue Code of 1986 shall have the same meaning for purposes of this subsection as when used in section 45L. Any reference in this subsection to the Secretary of the Treasury shall be treated as including the Secretary’s delegate.

(7) **APPROPRIATIONS.**—There is hereby appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this subsection.

#### **Subtitle B—Transportation, Housing, and Agriculture Infrastructure Incentives**

#### **SEC. 521. GENERAL PROVISIONS.**

(a) **WAIVER OF NON-FEDERAL SHARE.**—Notwithstanding any other provision of law, the non-Federal share of the cost of any program or activity carried out using funds provided under this subtitle shall be zero.

(b) **MAINTENANCE OF FUNDING; ADMINISTRATIVE EXPENSES.**—

(1) **MAINTENANCE OF FUNDING.**—The funding provided to any program or account under this subtitle shall supplement (and not supplant) any funding provided for that program or account under any other provision of law.

(2) **ADMINISTRATIVE EXPENSES.**—Notwithstanding any other provision of law (including regulations), of any funds provided for a

program or account under this subtitle, the applicable Federal department or agency head may use such percentage for administrative expenses as is established by the limitation for administrative expenses in applicable laws (including regulations) relating to the program or activity.

#### SEC. 522. HIGHWAY PROGRAM.

(a) FUNDING.—Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Secretary of Transportation \$450,000,000 for each of fiscal years 2017 through 2026 to carry out the Puerto Rico Highway Program under section 165(b) of title 23, United States Code.

(b) CONFORMING AMENDMENT.—Section 165(a)(1) of title 23, United States Code, is amended by striking “\$158,000,000” and inserting “\$608,000,000”.

#### SEC. 523. TIGER DISCRETIONARY GRANTS.

(a) DEFINITION OF TIGER DISCRETIONARY GRANT.—In this section, the term “TIGER discretionary grant” means a grant awarded and administered by the Secretary of Transportation using funds made available for national infrastructure investments under title I of division L of the Consolidated Appropriations Act, 2016 (Public Law 114-113; 129 Stat. 2835).

(b) REQUIREMENT.—Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Secretary of Transportation \$50,000,000 for each of fiscal years 2017 through 2021 to award TIGER discretionary grants for eligible programs and activities in the Commonwealth of Puerto Rico.

#### SEC. 524. PASSENGER AND FREIGHT RAIL IMPROVEMENTS.

(a) FUNDING.—Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Secretary of Transportation \$120,000,000 for each of fiscal years 2017 through 2021 for planning and capital costs to build, improve, or expand passenger and freight rail projects in the Commonwealth under titles 23 and 49, United States Code.

(b) ELIGIBLE USES.—Of the amounts made available for each fiscal year under subsection (a)—

(1) not more than 15 percent may be used for temporary operating assistance for such rail and transit projects as the Secretary of Transportation determines to be eligible; and

(2) not more than 50 percent may be allocated to another transportation capital investment account funded under this Act, on approval of the Secretary of Transportation.

#### SEC. 525. AIRPORT IMPROVEMENT PROGRAM.

Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Secretary of Transportation \$40,000,000 for each of fiscal years 2017 through 2021 to make grants under the Airport Improvement Program under subchapter I of chapter 471 of title 49, United States Code, for eligible programs and activities in the Commonwealth.

#### SEC. 526. CLEAN AND SAFE WATER REVOLVING FUNDS.

Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Administrator of the Environmental Protection Agency for each of fiscal years 2017 through 2021—

(1) \$25,000,000 to make a capitalization grant to the Commonwealth for the purpose of establishing and maintaining a water pollution control revolving fund under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.); and

(2) \$25,000,000 to make a capitalization grant to the Commonwealth for the purpose of establishing and maintaining a drinking water treatment revolving loan fund under section 1452(a) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)).

#### SEC. 527. RURAL UTILITIES SERVICE PROGRAMS.

(a) WATER AND ENVIRONMENTAL PROGRAMS.—Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Administrator of the Rural Utilities Service \$50,000,000 for each of fiscal years 2017 through 2021 to provide, for eligible programs and activities in the Commonwealth—

(1) water or waste disposal grants or direct or guaranteed loans under paragraph (1) or (2) of section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a));

(2) rural water or wastewater technical assistance and training grants under section 306(a)(14) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(14));

(3) emergency community water assistance grants under section 306A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926a); and

(4) solid waste management grants under section 310B(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(b)).

(b) ELECTRIC PROGRAM.—Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Administrator of the Rural Utilities Service \$50,000,000 for each of fiscal years 2017 through 2021 to provide electric infrastructure grants for eligible programs and activities in the Commonwealth under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.).

#### SEC. 528. RURAL ENERGY FOR AMERICA PROGRAM.

Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Secretary of Agriculture \$25,000,000 for each of fiscal years 2017 through 2021 to provide financial assistance and grants for eligible programs and activities in the Commonwealth under section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107).

#### SEC. 529. CONSTRUCTION OF FERRY BOATS AND FERRY TERMINAL FACILITIES.

Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Secretary of Transportation \$5,000,000 for each of fiscal years 2017 through 2021 for the construction of ferry boats and ferry terminal facilities in the Commonwealth under section 147 of title 23, United States Code.

#### SEC. 530. CORPS OF ENGINEERS FUNDS.

(a) CONSTRUCTION ACCOUNT.—Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Construction Account of the Corps of Engineers \$150,000,000 for each of fiscal years 2017 through 2021 for authorized navigation, coastal storm and riverine flood damage reduction, ecosystem restoration, and environmental infrastructure assistance activities in the Commonwealth, with priority given to dredging the Caño Martín Peña.

(b) OPERATIONS AND MAINTENANCE ACCOUNT.—Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Operations and Maintenance Account of the Corps of Engineers \$75,000,000 for each of fiscal years 2017 through 2021 for eligible operations and maintenance costs of coastal harbors and channels, and for inland harbors, to improve the movement of goods through marine ports in the Commonwealth.

#### SEC. 531. PREDISASTER HAZARD MITIGATION AND RESILIENCY.

Out of funds of the Treasury not otherwise appropriated, there is appropriated to the Director of the Federal Emergency Management Agency \$50,000,000 for each of fiscal years 2017 through 2021 to carry out in the Commonwealth minor localized flood reduction projects and major flood risk reduction projects under the predisaster hazard mitigation program under section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133).

#### SEC. 532. BROADBAND PROGRAMS.

(a) BROADBAND INITIATIVES PROGRAM.—Out of funds of the Treasury not otherwise appropriated, there is appropriated \$30,000,000 for each of fiscal years 2017 through 2021 for the broadband initiatives program established under title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) to expand access to, and the quality of, broadband service across the Commonwealth, with preference given to—

(1) public or cooperatively owned telecommunications systems; or

(2) telecommunications systems that provide telehealth, distance learning, and public safety benefits.

(b) BROADBANDUSA PROGRAM.—Out of funds of the Treasury not otherwise appropriated, there is appropriated \$30,000,000 for each of fiscal years 2017 through 2021 to the National Telecommunications and Information Administration to carry out the BroadbandUSA program in the Commonwealth, with preference given to—

(1) public or cooperatively owned telecommunications systems; or

(2) telecommunications systems that provide telehealth, distance learning, and public safety benefits.

#### SEC. 533. HOUSING AND COMMUNITY DEVELOPMENT.

(a) HOME INVESTMENT PARTNERSHIPS PROGRAM.—

(1) ALL PARTICIPATING JURISDICTIONS.—Out of funds of the Treasury not otherwise appropriated, there is appropriated \$17,000,000 for each of fiscal years 2017 through 2021 for the HOME Investment Partnerships program authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) to be allocated proportionately among participating jurisdictions in the Commonwealth in accordance with the allocation among such jurisdictions for the most recent fiscal year.

(2) CAÑO MARTÍN PEÑA COMMUNITIES.—Out of funds of the Treasury not otherwise appropriated, in addition to the amount appropriated under paragraph (1), there is appropriated \$3,000,000 for each of fiscal years 2017 through 2021 for the HOME Investment Partnerships program authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) to be allocated to the HOME Investment Partnership Program of the Municipality of San Juan for use by the Caño Martín Peña Community Land Trust (also known as “El Fedecomiso de la Tierra del Caño Martín Peña”) to create, improve, and rehabilitate affordable housing in the 8 Caño Martín Peña communities, including for the costs of relocating homes from the banks of the channel to other locations in the community.

(b) COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.—

(1) ALL JURISDICTIONS.—Out of funds of the Treasury not otherwise appropriated, there is appropriated \$60,000,000 for each of fiscal years 2017 through 2021 for the community development block grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) to be allocated proportionately among entitlement communities and nonentitlement communities in the Commonwealth in accordance with the allocation among such communities for the most recent fiscal year.

(2) CAÑO MARTÍN PEÑA COMMUNITIES.—Out of funds of the Treasury not otherwise appropriated, in addition to the amount appropriated under paragraph (1), there is appropriated \$5,000,000 for each of fiscal years 2017 through 2021 for the community development block grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) to be allocated to the Municipality of San Juan for use by the

Martin Peña Canal ENLACE Project Corporation (also known as “La Corporación del Proyecto ENLACE del Caño Martín Peña”) for housing, community, and economic development in the 8 Caño Martín Peña communities.

#### **TITLE VI—EARNED INCOME TAX CREDIT AND TAX EQUALIZATION MEASURES**

##### **SEC. 611. PUERTO RICO RESIDENTS ELIGIBLE FOR EARNED INCOME TAX CREDIT.**

(a) IN GENERAL.—Section 32 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(n) RESIDENTS OF PUERTO RICO.—

“(1) IN GENERAL.—In the case of residents of Puerto Rico—

“(A) the United States shall be treated as including Puerto Rico for purposes of subsections (c)(1)(A)(ii)(I) and (c)(3)(C),

“(B) subsection (c)(1)(D) shall not apply to nonresident alien individuals who are residents of Puerto Rico, and

“(C) adjusted gross income and gross income shall be computed without regard to section 933 for purposes of subsections (a)(2)(B) and (c)(2)(A)(i).

“(2) LIMITATION.—The credit allowed under this section by reason of this subsection for any taxable year shall not exceed the amount, determined under regulations or other guidance promulgated by the Secretary, that a similarly situated taxpayer would receive if residing in a State.”.

(b) CHILD TAX CREDIT NOT REDUCED.—Subclause (II) of section 24(d)(1)(B)(ii) of such Code is amended by inserting before the period “(determined without regard to section 32(n) in the case of residents of Puerto Rico)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2015.

##### **SEC. 612. EQUITABLE TREATMENT FOR RESIDENTS OF PUERTO RICO WITH RESPECT TO THE REFUNDABLE PORTION OF THE CHILD TAX CREDIT.**

(a) IN GENERAL.—Section 24(d)(1) of the Internal Revenue Code of 1986 is amended by inserting “or section 933” after “section 112”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2015.

#### **TITLE VII—PUERTO RICO DETERMINATION ON STATUS**

##### **SEC. 701. VOTE REGARDING STATUS.**

(a) VOTE.—

(1) IN GENERAL.—Not later than January 31, 2018, the State Elections Commission of Puerto Rico shall provide for a binding vote or series of votes as described in paragraph (2), in accordance with rules and regulations determined by the Commission, including qualifications for voter eligibility.

(2) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the State Elections Commission of Puerto Rico shall promulgate regulations governing the provision by the State Elections Commission of a binding vote, or series of binding votes, regarding whether Puerto Rico should—

(A) be admitted as a State of the United States;

(B) become a sovereign nation; or

(C) continue the status quo as a commonwealth territory of the United States and simply reform the government of the Commonwealth.

(b) FUNDS FOR VOTE.—The funds made available pursuant to Public Law 113-76 (128 Stat. 5) may be used to conduct the vote under this section.

##### **SEC. 702. CERTIFICATION AND TRANSMITTAL OF RESULTS.**

Not later than 10 days after the certification of the vote by the State Elections Commission of Puerto Rico, the Governor of

Puerto Rico shall transmit the certified results to the President of the United States, the Speaker of the House of Representatives, and the President pro tempore of the Senate.

##### **SEC. 703. TRANSITION PROCESS.**

If a majority of the votes cast in the vote conducted pursuant to section 701 are for the admission of Puerto Rico into the United States as a State, the following shall apply:

(1) PROCLAMATION.—Within 30 calendar days of receipt of the certified results transmitted pursuant to section 702, the President shall issue a proclamation to begin the transition process that will culminate in Puerto Rico's admission into the United States as a State effective by not later than the date that is 4 years after the date on which the vote under section 701 is certified by the State Elections Commission of Puerto Rico.

(2) COMMISSION.—

(A) ESTABLISHMENT.—Within 90 calendar days of receipt of the certified results transmitted pursuant to section 702, the President shall appoint a commission, to be known as the “Commission on the Equal Application of Federal Law to Puerto Rico” (referred to in this paragraph as the “Commission”).

(B) PURPOSE.—The Commission shall survey the laws of the United States and make recommendations to Congress as to how laws that do not apply to the territory or apply differently to the territory than to the several States should be amended or repealed to treat Puerto Rico equally with the several States as of the date of the admission of Puerto Rico into the United States as a State.

(C) MEMBERSHIP.—The Commission shall consist of 5 persons, at least 2 of whom shall be residents of Puerto Rico.

(D) REPORT.—The Commission shall issue a final report to the President of the United States, the Speaker of the House of Representatives, and the President pro tempore of the Senate by July 1, 2018.

(E) TERMINATION.—Upon issuing the final report under subparagraph (D), the Commission shall terminate.

(F) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.), other than section 14, shall apply to the Commission.

##### **SEC. 704. RULES FOR ELECTIONS FOR FEDERAL OFFICES.**

(a) PREPARATION FOR ELECTIONS.—If a majority of the votes cast in the vote conducted pursuant to section 701 are for the admission of Puerto Rico into the United States as a State, not later than January 1, 2020, Puerto Rico shall carry out such actions as may be necessary to enable Puerto Rico to hold elections for Federal office in November 2020 in accordance with this section.

(b) PRESIDENTIAL ELECTION.—With respect to the election for the office of President and Vice President held in November 2020—

(1) Puerto Rico shall be considered a State for purposes of chapter 21 of title 3, United States Code;

(2) the electors of Puerto Rico shall be considered electors of a State for purposes of such chapter; and

(3) for purposes of section 3 of such title, the number of electors from Puerto Rico shall be equal to the number of Senators and Representatives to which Puerto Rico is entitled during the 117th Congress, as determined in accordance with subsections (c) and (d).

(c) ELECTION OF SENATORS.—

(1) ELECTION OF 2 SENATORS.—The regularly scheduled general elections for Federal office held in Puerto Rico during November 2020 shall include the election of 2 Senators, each of whom shall first take office on the first day of the 117th Congress.

(2) SPECIAL RULE.—In the election of Senators from Puerto Rico pursuant to para-

graph (1), the 2 Senate offices shall be separately identified and designated, and no person may be a candidate for both offices. No such identification or designation of either of the offices shall refer to, or be taken to refer to, the terms of such offices, or in any way impair the privilege of the Senate to determine the class to which each of the Senators elected shall be assigned.

(d) ELECTION OF REPRESENTATIVES.—

(1) IN GENERAL.—Effective on the first day of the 117th Congress, and until the taking effect of the first reapportionment occurring after the regular decennial census conducted for 2020, Puerto Rico shall be entitled to the number of Representatives to which Puerto Rico would have been entitled for the 116th Congress if Puerto Rico had been a State during such Congress, as shown in the statement transmitted by the President to Congress under paragraph (2).

(2) DETERMINATION OF INITIAL NUMBER.—

(A) DETERMINATION.—Not later than July 1, 2019, the President shall submit to Congress a statement of the number of Representatives to which Puerto Rico would have been entitled for the 116th Congress if Puerto Rico had been a State during such Congress, in the same manner as provided under section 22(a) of the Act of June 28, 1929 (2 U.S.C. 2a(a)).

(B) SUBMISSION OF NUMBER BY CLERK.—Not later than 15 calendar days after receiving the statement of the President under subparagraph (A), the Clerk of the House of Representatives, in accordance with section 22(b) of such Act (2 U.S.C. 2a(b)), shall transmit to the Governor of Puerto Rico and the Speaker of the House of Representatives a certificate of the number of Representatives to which Puerto Rico is entitled during the period described in paragraph (1).

(3) TERMINATION OF OFFICE OF RESIDENT COMMISSIONER.—Effective on the date on which a Representative from Puerto Rico first takes office in accordance with this subsection, the Office of the Resident Commissioner to the United States, as described in section 36 of the Act of March 2, 1917 (48 U.S.C. 891 et seq.), is terminated.

(e) ADMINISTRATION OF PRIMARY ELECTIONS.—Puerto Rico may hold primary elections for the offices described in this section at such time and in such manner as Puerto Rico may provide, so long as such elections are held in the manner required by the laws applicable to elections for Federal office.

##### **SEC. 705. ISSUANCE OF PRESIDENTIAL PROCLAMATION.**

Following the transition process set forth in section 703, if applicable, the President shall issue a proclamation declaring that Puerto Rico is admitted into the United States on an equal footing with the other States, effective on the date that is 4 years after the date on which the vote under section 701 is certified by the State Elections Commission of Puerto Rico. Upon issuance of the proclamation by the President, Puerto Rico shall be deemed admitted into the United States as a State.

##### **SEC. 706. STATE OF PUERTO RICO.**

Upon the admission of Puerto Rico into the United States as a State, the following shall apply:

(1) STATE CONSTITUTION.—The Constitution of the Commonwealth of Puerto Rico shall be accepted as the Constitution of the State.

(2) TERRITORY.—The State shall consist of all of the territory, together with the waters included in the seaward boundary, of the Commonwealth of Puerto Rico.

(3) CONTINUITY OF GOVERNMENT.—The persons holding legislative, executive, and judicial offices of the Commonwealth of Puerto Rico shall continue to discharge the duties of their respective offices.

## (4) CONTINUITY OF LAWS.—

(A) TERRITORY LAW.—All of the territory laws in force in Puerto Rico shall continue in force and effect in the State, except as modified by this Act, and shall be subject to repeal or amendment by the Legislature and the Governor of Puerto Rico.

(B) FEDERAL LAW.—All of the laws of the United States shall have the same force and effect as on the date immediately prior to the date of admission of Puerto Rico into the United States as a State, except for any provision of law that treats Puerto Rico and its residents differently than the States of the United States and their residents, which shall be amended as of the date of admission to treat the State of Puerto Rico and its residents equally with the other States of the United States and their residents.

**SEC. 707. EFFECT ON MEMBERSHIP OF HOUSE OF REPRESENTATIVES.**

(a) TEMPORARY INCREASE DURING INITIAL PERIOD.—

(1) TEMPORARY INCREASE.—Upon the admission of Puerto Rico into the United States as a State, during the period described in paragraph (1) of section 704(d)—

(A) the membership of the House of Representatives shall be increased by the number of Members to which Puerto Rico is entitled during such period; and

(B) each such Representative shall be in addition to the membership of the House of Representatives as prescribed by law on the date of enactment of this Act.

(2) NO EFFECT ON EXISTING APPORTIONMENT.—The temporary increase in the membership of the House of Representatives provided under paragraph (1) shall not, during the period described in paragraph (1) of section 704(d)—

(A) operate to either increase or decrease the permanent membership of the House of Representatives as prescribed in the Act of August 8, 1911 (2 U.S.C. 2); or

(B) affect the basis of reapportionment established by section 22 of the Act of June 28, 1929 (2 U.S.C. 2a), for the 82nd Congress and each Congress thereafter.

(b) PERMANENT INCREASE EFFECTIVE WITH NEXT REAPPORTIONMENT.—

(1) IN GENERAL.—Upon the admission of Puerto Rico into the United States as a State, effective with respect to the 118th Congress and each succeeding Congress, the House of Representatives shall be composed of a number of Members equal to the sum of 435 plus the number by which the membership of the House was increased under subsection (a).

(2) REAPPORTIONMENT OF MEMBERS RESULTING FROM INCREASE.—

(A) IN GENERAL.—Section 22(a) of the Act of June 28, 1929 (2 U.S.C. 2a(a)), is amended by striking “the then existing number of Representatives” and inserting “the number of Representatives established with respect to the 118th Congress”.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply with respect to the regular decennial census conducted for 2020 and each subsequent regular decennial census.

**SA 4917.** Mr. PORTMAN (for himself and Mr. BURR) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IV, insert the following:

**SEC. 414. BENEFIT SUSPENSIONS FOR MULTIPLE EMPLOYER PLANS IN CRITICAL AND DECLINING STATUS.**

(a) ERISA AMENDMENTS.—Section 305(e)(9)(H) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1085(e)(9)(H)) is amended—

(1) in clause (ii)—

(A) by striking “Except as provided in clause (v), the” and inserting “The”; and

(B) by striking “a majority of all participants and beneficiaries of the plan” and inserting “, of the participants and beneficiaries of the plan who cast a vote, a majority”;

(2) by striking clause (v);

(3) by redesignating clause (vi) as clause (v); and

(4) in clause (v), as so redesignated—

(A) by striking “(or following a determination under clause (v) that the plan is a systemically important plan)”;

(B) by striking “(or, in the case of a suspension that goes into effect under clause (v), at a time sufficient to allow the implementation of the suspension prior to the end of the 90-day period described in clause (v)(I))”.

(b) IRC AMENDMENTS.—Section 432(e)(9)(H) of the Internal Revenue Code of 1986 is amended—

(1) in clause (ii)—

(A) by striking “Except as provided in clause (v), the” and inserting “The”; and

(B) by striking “a majority of all participants and beneficiaries of the plan” and inserting “, of the participants and beneficiaries of the plan who cast a vote, a majority”;

(2) by striking clause (v);

(3) by redesignating clause (vi) as clause (v); and

(4) in clause (v), as so redesignated—

(A) by striking “(or following a determination under clause (v) that the plan is a systemically important plan)”;

(B) by striking “(or, in the case of a suspension that goes into effect under clause (v), at a time sufficient to allow the implementation of the suspension prior to the end of the 90-day period described in clause (v)(I))”.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to any vote on the suspension of benefits under section 305(e)(9)(H) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1085(e)(9)(H)) and section 432(e)(9)(H) of the Internal Revenue Code of 1986 that occurs after the date of enactment of this Act.

**SA 4918.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Between sections 403 and 404, insert the following:

**SEC. 403A. EXEMPTING PUERTO RICO FROM THE FEDERAL MINIMUM WAGE.**

The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) is amended—

(1) in section 6(a)(2) (29 U.S.C. 206(a)(2)), by striking “Puerto Rico or” each place it appears; and

(2) in section 13 (29 U.S.C. 213)—

(A) in subsection (f), by inserting “(except as provided under subsection (k))” after “Puerto Rico”; and

(B) by adding at the end the following:

“(k) The provisions of section 6 shall not apply with respect to any employee whose services during the workweek are performed in a workplace within Puerto Rico.”.

**SA 4919.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ EXEMPTION FROM THE COASTWISE LAWS FOR PUERTO RICO.**

Section 55101(b) of title 46, United States Code, is amended—

(1) in paragraph (2), by striking “or” at the end;

(2) in paragraph (3), by striking the period at the end and inserting a semicolon and “or”; and

(3) by adding at the end the following:

“(4) Puerto Rico.”.

**SA 4920.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IV, add the following:

**SEC. 414. EXEMPTING PUERTO RICO FROM FEDERAL PREVAILING WAGE REQUIREMENTS.**

Notwithstanding any other provision of law, Puerto Rico shall be exempt from any requirements regarding the payment of a prevailing wage under—

(1) any of the Acts related to subchapter IV of chapter 31 of title 40, United States Code, as listed in appendix A to part 1 of subtitle A of title 29 of the Code of Federal Regulations (as in effect on the date of enactment of this Act);

(2) chapter 67 of title 41, United States Code; or

(3) any other requirement under Federal law regarding paying workers the prevailing wage of a locality.

**SA 4921.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

In section 101(b), strike paragraph (1) and insert the following:

(1) IN GENERAL.—Except as provided in paragraph (2), Congress, acting on behalf of a territory, may establish a Financial Oversight and Management Board for the covered territory, in accordance with this section.

**SA 4922.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

In section 405(a)(1), insert “, including a pension or a pension plan,” before “whether”.

**SA 4923.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 98, line 7, strike “UPON ENACTMENT” and insert “AFTER OPPORTUNITY FOR CONFIRMATION OF THE BOARD”.

On page 98, line 22, strike “date of enactment of this Act” and insert “date described in subsection (p)”.

On page 99, line 14, strike “(i.e., the enactment of this Act)” and insert “on the date described in subsection (p)”.

On page 99, lines 22 and 23, strike “the enactment of this Act,” and insert “the date described in subsection (p)”.

On page 99, lines 24 and 25, strike “the enactment of this Act” and insert “the date described in subsection (p)”.

On page 100, lines 3 and 4, strike “the enactment of this Act” and insert “the date described in subsection (p)”.

On page 101, lines 22 and 23, strike “as established by section 101(b)” and insert “as determined by the date described in subsection (p)”.

On page 106, line 25, strike “prior to the enactment of this Act” and insert “prior to the date described in subsection (p)”.

On page 108, line 1, strike “the enactment of this Act” and insert “the date described in subsection (p)”.

Beginning on page 109, strike line 1 and all that follows through line 3 on page 110.

On page 111, between lines 10 and 11, insert the following:

(p) **DATE UPON WHICH AUTOMATIC STAY TAKES EFFECT.**—The date described in this subsection shall be the earlier of—

(1) the date by which all members of the Oversight Board for Puerto Rico that are subject to confirmation by the Senate have been confirmed; or

(2) September 15, 2016.

**SA 4924.** Mr. CASSIDY submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 302 and insert the following:  
**SEC. 302. WHO MAY BE A DEBTOR.**

An entity may be a debtor under this title if—

(1) the entity is—

(A) a territory that has requested the establishment of an Oversight Board or has had an Oversight Board established for it by the United States Congress in accordance with section 101 of this Act; or

(B) a covered territorial instrumentality of a territory described in paragraph (1)(A);

(2) the Oversight Board has issued a certification under section 206(b) of this Act for such entity;

(3) the entity desires to effect a plan to adjust its debts; and

(4) the entity is insolvent, as determined before giving effect to any voluntarily or involuntarily created acceleration of debt or any clawback of revenues transferred from or allocated to that entity by the central government of the Territory.

**SA 4925.** Mr. PORTMAN (for himself and Mr. BURR) submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end, insert the following:

**SEC. \_\_\_\_.** **BENEFIT SUSPENSIONS FOR MULTI-EMPLOYER PLANS IN CRITICAL AND DECLINING STATUS.**

(a) **ERISA AMENDMENTS.**—Section 305(e)(9)(H) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1085(e)(9)(H)) is amended—

(1) in clause (ii)—

(A) by striking “Except as provided in clause (v), the” and inserting “The”; and

(B) by striking “a majority of all participants and beneficiaries of the plan” and inserting “, of the participants and beneficiaries of the plan who cast a vote, a majority”;

(2) by striking clause (v);

(3) by redesignating clause (vi) as clause (v); and

(4) in clause (v), as so redesignated—

(A) by striking “(or following a determination under clause (v) that the plan is a systematically important plan)”; and

(B) by striking “(or, in the case of a suspension that goes into effect under clause (v), at a time sufficient to allow the implementation of the suspension prior to the end of the 90-day period described in clause (v)(I))”.

(b) **IRC AMENDMENTS.**—Section 432(e)(9)(H) of the Internal Revenue Code of 1986 is amended—

(1) in clause (ii)—

(A) by striking “Except as provided in clause (v), the” and inserting “The”; and

(B) by striking “a majority of all participants and beneficiaries of the plan” and inserting “, of the participants and beneficiaries of the plan who cast a vote, a majority”;

(2) by striking clause (v);

(3) by redesignating clause (vi) as clause (v); and

(4) in clause (v), as so redesignated—

(A) by striking “(or following a determination under clause (v) that the plan is a systematically important plan)”; and

(B) by striking “(or, in the case of a suspension that goes into effect under clause (v), at a time sufficient to allow the implementation of the suspension prior to the end of the 90-day period described in clause (v)(I))”.

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply to any vote on the suspension of benefits under section 305(e)(9)(H) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1085(e)(9)(H)) and section 432(e)(9)(H) of the Internal Revenue Code of 1986 that occurs after the date of enactment of this Act.

**SA 4926.** Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2328, to reauthorize and amend the National Sea Grant College Program Act, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed, insert the following:

**EXEMPTING PUERTO RICO FROM THE FEDERAL MINIMUM WAGE.**

The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) is amended—

(1) in section 6(a)(2) (29 U.S.C. 206(a)(2)), by striking “Puerto Rico or” each place it appears; and

(2) in section 13 (29 U.S.C. 213)—

(A) in subsection (f), by inserting “(except as provided under subsection (k))” after “Puerto Rico”; and

(B) by adding at the end the following: “(k) The provisions of section 6 shall not apply with respect to any employee whose services during the workweek are performed in a workplace within Puerto Rico.”.

**SA 4927.** Mr. RUBIO (for himself and Mr. CARDIN) proposed an amendment to the bill H.R. 3766, to direct the President to establish guidelines for covered United States foreign assistance programs, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Foreign Aid Transparency and Accountability Act of 2016”.

**SEC. 2. DEFINITIONS.**

In this Act:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means—

(A) the Committee on Foreign Relations of the Senate;

(B) the Committee on Appropriations of the Senate;

(C) the Committee on Foreign Affairs of the House of Representatives; and

(D) the Committee on Appropriations of the House of Representatives.

(2) **EVALUATION.**—The term “evaluation” means, with respect to a covered United States foreign assistance program, the systematic collection and analysis of information about the characteristics and outcomes of the program, including projects conducted under such program, as a basis for—

(A) making judgments and evaluations regarding the program;

(B) improving program effectiveness; and

(C) informing decisions about current and future programming.

(3) **COVERED UNITED STATES FOREIGN ASSISTANCE.**—The term “covered United States foreign assistance” means assistance authorized under—

(A) part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), except for—

(i) title IV of chapter 2 of such part (relating to the Overseas Private Investment Corporation); and

(ii) chapter 3 of such part (relating to International Organizations and Programs);

(B) chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 et seq.; relating to Economic Support Fund);

(C) the Millennium Challenge Act of 2003 (22 U.S.C. 7701 et seq.); and

(D) the Food for Peace Act (7 U.S.C. 1721 et seq.).

**SEC. 3. GUIDELINES FOR COVERED UNITED STATES FOREIGN ASSISTANCE PROGRAMS.**

(a) **PURPOSES.**—The purposes of this section are to—

(1) evaluate the performance of covered United States foreign assistance and its contribution to the policies, strategies, projects, program goals, and priorities undertaken by the Federal Government;

(2) support and promote innovative programs to improve effectiveness; and

(3) coordinate the monitoring and evaluation processes of Federal departments and agencies that administer covered United States foreign assistance.

(b) **ESTABLISHMENT OF GUIDELINES.**—Not later than 18 months after the date of the enactment of this Act, the President shall set forth guidelines, according to best practices of monitoring and evaluation studies and analyses, for the establishment of measurable goals, performance metrics, and monitoring and evaluation plans that can be applied with reasonable consistency to covered United States foreign assistance.

(c) **OBJECTIVES OF GUIDELINES.**—

(1) **IN GENERAL.**—The guidelines established pursuant to subsection (b) shall provide direction to Federal departments and agencies that administer covered United States foreign assistance on—

(A) monitoring the use of resources;

(B) evaluating the outcomes and impacts of covered United States foreign assistance projects and programs; and

(C) applying the findings and conclusions of such evaluations to proposed project and program design.



(2) OBJECTIVES.—The guidelines established pursuant to subsection (b) shall provide direction to Federal departments and agencies that administer covered United States foreign assistance on how to—

(A) establish annual monitoring and evaluation objectives and timetables to plan and manage the process of monitoring, evaluating, analyzing progress, and applying learning toward achieving results;

(B) develop specific project monitoring and evaluation plans, including measurable goals and performance metrics, and to identify the resources necessary to conduct such evaluations, which should be covered by program costs;

(C) apply rigorous monitoring and evaluation methodologies to such programs, including through the use of impact evaluations, ex-post evaluations, or other methods, as appropriate, that clearly define program logic, inputs, outputs, intermediate outcomes, and end outcomes;

(D) disseminate guidelines for the development and implementation of monitoring and evaluation programs to all personnel, especially in the field, who are responsible for the design, implementation, and management of covered United States foreign assistance programs;

(E) establish methodologies for the collection of data, including baseline data to serve as a reference point against which progress can be measured;

(F) evaluate, at least once in their lifetime, all programs whose dollar value equals or exceeds the median program size for the relevant office or bureau or an equivalent calculation to ensure the majority of program resources are evaluated;

(G) conduct impact evaluations on all pilot programs before replicating, or conduct performance evaluations and provide a justification for not conducting an impact evaluation when such an evaluation is deemed inappropriate or impracticable;

(H) develop a clearinghouse capacity for the collection, dissemination, and preservation of knowledge and lessons learned to guide future programs for United States foreign assistance personnel, implementing partners, the donor community, and aid recipient governments;

(I) internally distribute evaluation reports;

(J) publicly report each evaluation, including an executive summary, a description of the evaluation methodology, key findings, appropriate context, including quantitative and qualitative data when available, and recommendations made in the evaluation within 90 days after the completion of the evaluation;

(K) undertake collaborative partnerships and coordinate efforts with the academic community, implementing partners, and national and international institutions, as appropriate, that have expertise in program monitoring, evaluation, and analysis when such partnerships provide needed expertise or significantly improve the evaluation and analysis;

(L) ensure verifiable, reliable, and timely data, including from local beneficiaries and stakeholders, are available to monitoring and evaluation personnel to permit the objective evaluation of the effectiveness of covered United States foreign assistance programs, including an assessment of assumptions and limitations in such evaluations; and

(M) ensure that standards of professional evaluation organizations for monitoring and evaluation efforts are employed, including ensuring the integrity and independence of evaluations, permitting and encouraging the exercise of professional judgment, and providing for quality control and assurance in the monitoring and evaluation process.

(d) PRESIDENT'S REPORT.—Not later than 18 months after the date of the enactment of this Act, the President shall submit a report to the appropriate congressional committees that contains a detailed description of the guidelines established pursuant to subsection (b). The report shall be submitted in unclassified form, but it may contain a classified annex.

(e) COMPTROLLER GENERAL'S REPORT.—The Comptroller General of the United States shall, not later than 18 months after the report required by subsection (d) is submitted to Congress, submit to the appropriate congressional committees a report that—

(1) analyzes the guidelines established pursuant to subsection (b); and

(2) assesses the implementation of the guidelines by the agencies, bureaus, and offices that implement covered United States foreign assistance as outlined in the President's budget request.

#### SEC. 4. INFORMATION ON COVERED UNITED STATES FOREIGN ASSISTANCE PROGRAMS.

(a) PUBLICATION OF INFORMATION.—

(1) UPDATE OF EXISTING WEBSITE.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall update the Department of State's website, "ForeignAssistance.gov", to make publicly available comprehensive, timely, and comparable information on covered United States foreign assistance programs, including all information required under subsection (b) that is available to the Secretary of State.

(2) INFORMATION SHARING.—Not later than 2 years after the date of the enactment of this Act, and quarterly thereafter, the head of each Federal department or agency that administers covered United States foreign assistance shall provide the Secretary of State with comprehensive information about the covered United States foreign assistance programs carried out by such department or agency.

(3) UPDATES TO WEBSITE.—Not later than 2 years after the date of the enactment of this Act, and quarterly thereafter, the Secretary of State shall publish, on the "ForeignAssistance.gov" website or through a successor online publication, the information provided under subsection (b).

(b) MATTERS TO BE INCLUDED.—

(1) IN GENERAL.—The information described in subsection (a)—

(A) shall be published for each country on a detailed basis, such as award-by-award; or

(B) if assistance is provided on a regional level, shall be published for each such region on a detailed basis, such as award-by-award.

(2) TYPES OF INFORMATION.—

(A) IN GENERAL.—To ensure the transparency, accountability, and effectiveness of covered United States foreign assistance programs, the information described in subsection (a) shall include—

(i) links to all regional, country, and sector assistance strategies, annual budget documents, congressional budget justifications, and evaluations in accordance with section 3(c)(2)(J);

(ii) basic descriptive summaries for covered United States foreign assistance programs and awards under such programs; and

(iii) obligations and expenditures.

(B) PUBLICATION.—Each type of information described in subparagraph (A) shall be published or updated on the appropriate website not later than 90 days after the date on which the information is issued.

(C) RULE OF CONSTRUCTION.—Nothing in this paragraph may be construed to require a Federal department or agency that administers covered United States foreign assistance to provide any information that does not relate to, or is not otherwise required by,

the covered United States foreign assistance programs carried out by such department or agency.

(3) REPORT IN LIEU OF INCLUSION.—

(A) HEALTH OR SECURITY OF IMPLEMENTING PARTNERS.—If the head of a Federal department or agency, in consultation with the Secretary of State, makes a determination that the inclusion of a required item of information online would jeopardize the health or security of an implementing partner or program beneficiary or would require the release of proprietary information of an implementing partner or program beneficiary, the head of the Federal department or agency shall provide such determination in writing to the appropriate congressional committees, including the basis for such determination.

(B) NATIONAL INTERESTS OF THE UNITED STATES.—If the Secretary of State makes a determination that the inclusion of a required item of information online would be detrimental to the national interests of the United States, the Secretary of State shall provide such determination, including the basis for such determination, in writing to the appropriate congressional committees.

(C) FORM.—Information provided under this paragraph may be provided in classified form, as appropriate.

(4) FAILURE TO COMPLY.—If a Federal department or agency fails to comply with the requirements under paragraph (1), (2), or (3) of subsection (a), or subsection (c), with respect to providing information described in subsection (a), and the information is not subject to a determination under subparagraph (A) or (B) of paragraph (3) not to make the information publicly available, the Director of the Office of Management and Budget, in consultation with the head of such department or agency, not later than one year after the date of the enactment of this Act, shall submit a consolidated report to the appropriate congressional committees that includes, with respect to each required item of information not made publicly available—

(A) a detailed explanation of the reason for not making such information publicly available; and

(B) a description of the department's or agency's plan and timeline for—

(i) making such information publicly available; and

(ii) ensuring that such information is made publicly available in subsequent years.

(c) SCOPE OF INFORMATION.—The online publication required under subsection (a) shall, at a minimum—

(1) in each of the fiscal years 2016 through 2019, provide the information required under subsection (b) for fiscal years 2015 through the current fiscal year; and

(2) for fiscal year 2020 and each fiscal year thereafter, provide the information required under subsection (b) for the immediately preceding 5 fiscal years in a fully searchable form.

(d) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of State and the Administrator of the United States Agency for International Development should coordinate the consolidation of processes and data collection and presentation for the Department of State's website, "ForeignAssistance.gov", and the United States Agency for International Development's website, "Explorer.USAID.gov", to the extent that is possible to maximize efficiencies, no later than the end of fiscal year 2018.

**SA 4928.** Mr. RUBIO (for himself and Mr. CARDIN) proposed an amendment to the bill H.R. 3766, to direct the President to establish guidelines for covered

United States foreign assistance programs, and for other purposes; as follows:

Amend the title so as to read: "A bill to direct the President to establish guidelines for covered United States foreign assistance programs, and for other purposes.".

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON ARMED SERVICES

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on June 28, 2016, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on June 28, 2016, at 9:45 a.m., in room SR-253 of the Russell Senate Office Building to conduct a Subcommittee hearing entitled "How the Internet of Things (IoT) Can Bring U.S. Transportation and Infrastructure into the 21st Century."

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON FINANCE

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 28, 2016, at 10 a.m., in room SD-215 of the Dirksen Senate Office Building to conduct a hearing entitled "Examining the Proposed Medicare Part B Drug Demonstration."

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON FOREIGN RELATIONS

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on June 28, 2016, at 10 a.m., to conduct a hearing entitled "Global Efforts to Defeat ISIS."

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, on June 28, 2016, at 2 p.m., in room SD-430 of the Dirksen Senate Office Building, to conduct a hearing entitled "Small Business Health Care: Cost and Options."

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to

meet during the session of the Senate on June 28, 2016, at 4 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON THE JUDICIARY

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 28, 2016, at 10 a.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled "One Year After Enactment: Implementation of the Justice for Victims of Trafficking Act of 2015."

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SELECT COMMITTEE ON INTELLIGENCE

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate, on June 28, 2016, at 2:30 p.m., in room SH-219 of the Hart Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON OVERSIGHT, AGENCY ACTION, FEDERAL RIGHTS, AND FEDERAL COURTS

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on the Judiciary, Subcommittee on Oversight, Agency Action, Federal Rights, and Federal Courts be authorized to meet during the session of the Senate on June 28, 2016, at 2:30 p.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled "Willful Blindness: Consequences of Agency Efforts To Deemphasize Radical Islam in Combating Terrorism."

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON PUBLIC LANDS, FORESTS, AND MINING

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources' Subcommittee on Public Lands, Forests, and Mining be authorized to meet during the session of the Senate on June 28, 2016, at 2:30 p.m., in room SD-366 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PRIVILEGES OF THE FLOOR

Mr. MERKLEY. Mr. President, I ask unanimous consent that my intern Andrew Dunn be given the full privilege of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MERKLEY. Mr. President, I ask unanimous consent that my staff member Michael McKieran be given privileges of the floor until his paperwork is processed.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 114-12

Mr. ROUNDS. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on June 28, 2016, by the President of the United States: Protocol to the North Atlantic Treaty of 1949 on the Accession of Montenegro, Treaty Document No. 114-12. I further ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is printed in the Record of June 29, 2016, on page S4750.

#### FOREIGN AID TRANSPARENCY AND ACCOUNTABILITY ACT OF 2015

Mr. ROUNDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 318, H.R. 3766.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3766) to direct the President to establish guidelines for United States foreign development and economic assistance programs, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. ROUNDS. I ask unanimous consent that the Rubio substitute amendment be agreed to, the bill, as amended, be read a third time and passed, the Rubio title amendment be agreed to, and the motions to reconsider be considered made and laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4927) in the nature of a substitute was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The bill (H.R. 3766), as amended, was ordered to a third reading, was read the third time, and passed.

The amendment (No. 4928) was agreed to, as follows:

(Purpose: To amend the title)

Amend the title so as to read: "A bill to direct the President to establish guidelines for covered United States foreign assistance programs, and for other purposes.".

#### ORDERS FOR WEDNESDAY, JUNE 29, 2016

Mr. ROUNDS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m., Wednesday, June 29; that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, and the time for the two leaders be reserved for their use later in the day; further, that following leader remarks, the Senate resume consideration of the House message to